
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about any of the contents of this Prospectus, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for independent professional advice. Capitalised terms used herein shall have the same meanings as those defined in the section headed "Definitions" in this Prospectus, unless otherwise stated.

If you have sold or transferred all your Shares in China Hongqiao Group Limited, you should at once hand this Prospectus and the accompanying PAL(s) and EAF(s) to the purchaser(s) or other transferee(s) or bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

A copy of each of the Prospectus Documents, together with the written consent of Ernst & Young, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Registrar of Companies in Hong Kong, the Stock Exchange and the SFC take no responsibility for the contents of any of these documents. You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the paragraphs headed "Warning of the Risks of Dealing in Shares and Nil-paid Rights Shares" in the "Letter from the Board" in this Prospectus.

Shareholders with registered addresses in any of the Specified Territories and Shareholders and Beneficial Owners who are resident in any of the Specified Territories (other than the PRC Southbound Trading Investors) should refer to the important information set out in "Letter from the Board — Terms of the Rights Issue — Non-Qualifying Shareholders". For the entitlement of the PRC Southbound Trading Investors in participation of the Rights Issue, please refer to the section headed "Letter from the Board — Terms of the Rights Issue — PRC Southbound Trading Investors" in this Prospectus.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Rights Shares on the Stock Exchange or such other date 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.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange, HKSCC, The Registrar of Companies in Hong Kong and the SFC take no responsibility for the contents of the Prospectus Documents, make no representation as to their 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 these documents. The securities described in the Prospectus Documents have not been and will not be registered under the U.S. Securities Act or the laws of any state in the United States, and may not be offered or sold within the United States, absent registration or an exemption from the registration requirements of the U.S. Securities Act and applicable state laws. There is no intention to register any portion of the Rights Issue or any securities described herein in the United States or to conduct a public offering of securities in the United States. Neither the Prospectus Documents nor any copy thereof may be released into or distributed directly or indirectly in the United States.

The Rights Shares in both nil-paid and fully-paid forms are being offered outside the United States in reliance on Regulation S. Each purchaser or subscriber of the nil-paid Rights Shares and/or fully-paid Rights Shares being offered and sold outside the United States will be deemed to have represented and agreed, among other things, that the purchaser or subscriber is acquiring the nil-paid Rights Shares and/or fully-paid Rights Shares in an offshore transaction meeting the requirements of Regulation S.



China Hongqiao Group Limited 中國宏橋集團有限公司

(Incorporated under the laws of Cayman Islands with limited liability)

(Stock Code: 1378)

RIGHTS ISSUE OF 891,550,213 RIGHTS SHARES AT THE SUBSCRIPTION PRICE OF HK\$4.31 PER RIGHTS SHARE ON THE BASIS OF 7 RIGHTS SHARES FOR EVERY 50 SHARES HELD ON THE RECORD DATE

**Sole Global Coordinator, Sole Bookrunner and
Financial Adviser to the Company**



Terms used in this cover shall have the same meanings as defined in this Prospectus.

The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on 5 February 2016. The procedures for acceptance and payment or transfer of the Rights Shares are set out on pages 22 to 28 of this Prospectus.

The Underwriting Agreement in respect of the Rights Issue contains provisions entitling the Underwriters by notice in writing to the Company to terminate the obligations of the Underwriters thereunder on the occurrence of certain events including force majeure, so there are consequential risks in dealing in such rights. These events are set out in the section headed "Termination of the Underwriting Agreement" on pages 36 to 38 of this Prospectus.

Shareholders should note that the existing Shares have been dealt in on ex-rights basis from 14 January 2016. The Rights Shares in their nil-paid form will be dealt in from 26 January 2016 to 2 February 2016 (both days inclusive). If prior to the Latest Time for Termination, the Underwriters terminate the Underwriting Agreement or if any of the other conditions of the Rights Issue as set out in the paragraphs headed "Conditions of the Rights Issue and the Underwriting Agreement" contained in this Prospectus is not fulfilled, the Rights Issue will not proceed. If the Underwriters terminate or rescind the Underwriting Agreement, the Rights Issue will not proceed.

Any dealings in the Shares or Rights Shares in their nil-paid form up to the date on which all the conditions of the Rights Issue are fulfilled (which is expected to be at 4:00 p.m., 12 February 2016), will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares who is in any doubt about his/her/its position is recommended to consult his/her/its own professional adviser.

22 January 2016

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The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated. If the Rights Issue does not proceed, a further announcement will be made by the Company at the relevant time. It should also be noted that the Shares have been dealt on an ex-rights basis from 14 January 2016 and that the Rights Shares are expected to be dealt in their nil-paid form from 26 January 2016 to 2 February 2016 (both days inclusive). Such dealings will take place when the conditions of the Rights Issue remain unfulfilled. Any person dealing in the securities of the Company up to the date on which such conditions are fulfilled or waived and any person dealing in the nil-paid Rights Shares from 26 January 2016 to 2 February 2016 (being the first and last day of dealings in the nil-paid Rights Shares respectively) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Any person dealing or contemplating any dealing in the securities of the Company and/or the Rights Shares in their nil-paid form during this period who is in any doubt about his/her/its position is recommended to consult his/her/its own professional adviser.

EXCEPT AS OTHERWISE SET OUT HEREIN, THE RIGHTS ISSUE DESCRIBED IN THIS PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS, BENEFICIAL OWNERS OR INVESTORS IN THE SPECIFIED TERRITORIES. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to the nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. None of the nil-paid Rights Shares, the fully-paid Rights Shares, the Prospectus Documents will be registered under the securities laws of any of the Specified Territories and none of the nil-paid Rights Shares, the fully-paid Rights Shares, the Prospectus Documents, will qualify for distribution under any of the relevant securities laws of any of the Specified Territories (other than pursuant to any applicable exceptions as agreed by the Company). Accordingly, the nil-paid Rights Shares and the fully-paid Rights Shares may not be offered, sold, pledged, taken up, resold, renounced, transferred or delivered, directly or indirectly, into or within any of the Specified Territories absent registration or qualification under the respective securities laws of such Specified Territories, or exemption from the registration or qualification requirement under applicable rules of such Specified Territories.

Shareholders with registered addresses in any of the Specified Territories and Beneficial Owners who are resident in any of the Specified Territories (other than the PRC Southbound Trading Investors) are referred to the paragraphs of this Prospectus headed “Non-Qualifying Shareholders” under the section headed “Letter from the Board”.

NOTICE TO PRC SOUTHBOUND TRADING INVESTORS

For the avoidance of doubt, the PRC Southbound Trading Investors can participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Southbound Trading Investors to (i) sell (in full or in part) their nil-paid Rights Shares on the Stock Exchange; and/or (ii) subscribe (in full or in part) for their pro rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant Laws.

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However, ChinaClear will not support applications by such PRC Southbound Trading Investors for excess Rights Shares under the Rights Issue through Southbound Trading Link. The PRC Southbound Trading Investors (or the relevant ChinaClear participants as the case may be) whose stock accounts in the ChinaClear are credited with nil-paid Rights Shares can only sell those nil-paid Rights Shares on the Stock Exchange via ChinaClear under Southbound Trading Link and can neither purchase any nil-paid Rights Shares nor transfer such nil-paid Rights Shares to other PRC Southbound Trading Investors. For the purpose of this Prospectus, PRC Southbound Trading Investors are not the Shareholders or the Beneficial Owners in the Specified Territories.

NOTICE TO INVESTORS IN THE PRC

If a Shareholder resident in the PRC and/or any other PRC resident (including both individuals and companies) wishes to invest in nil-paid Rights Shares or fully-paid Rights Shares, it shall be responsible for complying with relevant laws of the PRC. The Company will not be responsible for verifying the PRC legal qualification of such Shareholder and/or resident and thus, should the Company suffer any losses or damages due to non-compliance with the relevant laws of the PRC by any such Shareholder and/or resident, the Shareholder and/or other resident shall be responsible to compensate the Company for the same. The Company shall not be obliged to issue the nil-paid Rights Shares or fully-paid Rights Shares to any such Shareholder and/or other resident, if in the Company's absolute discretion issuing the nil-paid Rights Shares or fully-paid Rights Shares to them does not comply with the relevant laws of the PRC.

FORWARD-LOOKING STATEMENTS

All statements in this Prospectus other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements may be identified by the use of words such as "might", "may", "could", "would", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "seek", "continue", "illustration", "projection" or similar expressions and the negative thereof. Forward-looking statements in this Prospectus include, without limitation, statements in respect of the Group's business strategies, product offerings, market position, competition, financial prospects, performance, liquidity and capital resources, as well as statements regarding trends in the relevant industries and markets in which the Group operates, technological advances, financial and economic developments, legal and regulatory changes and their interpretation and enforcement.

The forward-looking statements in this Prospectus are based on management's present expectations about future events. Management's present expectations reflect numerous assumptions regarding the Group's strategy, operations, industry, developments in the credit and other financial markets and trading environment. By their nature, they are subject to known and unknown risks and uncertainties, which could cause actual results and future events to differ materially from those implied or expressed by forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to

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be incorrect, the Group's actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Group or that the Group does not currently consider material could also cause the events and trends discussed in this Prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realised.

Prospective investors are cautioned that forward-looking statements speak only as at the date of publication of this Prospectus. Except as required by applicable Laws, the Group does not undertake, and expressly disclaims, any duty to revise any forward-looking statement in this Prospectus, be it as a result of new information, future events or otherwise.

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DEFINITIONS

In this Prospectus, the following expressions have the meanings set out below unless the context otherwise requires.

“2015 General Mandate”	the mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 19 May 2015
“Acceptance Date”	5 February 2016, or such other date as the Underwriters may agree in writing with the Company as the last date for acceptance of, and payment for, the Rights Shares
“Announcement”	the announcement of the Company dated 8 January 2016 in relation to the Rights Issue
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Beneficial Owner(s)”	any beneficial owner(s) of Shares whose Shares are registered in the name of a Registered Owner
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday and public holiday or a day on which a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong) on which banks are generally open for normal business in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	means a person admitted by HKSCC to participate in CCASS as a direct clearing participant or general clearing participant
“CCASS Custodian Participant”	means a person admitted by HKSCC to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant
“ChinaClear”	China Securities Depository and Clearing Corporation Limited
“CMBI”	CMB International Capital Limited

DEFINITIONS

“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
“Company”, “we”/ “us”	China Hongqiao Group Limited, a company incorporated on 9 February 2010 as an exempted company with limited liability under the laws of the Cayman Islands, the shares of which are listed on the Stock Exchange (Stock Code: 1378)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“CSRC”	the China Securities Regulatory Commission
“CSRC Notice”	the Provisions on the Recordation of the Placement of Shares to Existing Domestic Shareholders by Hong Kong-Listed Companies under the Southbound Trading Link (Announcement 2014 No. 48) issued by the CSRC
“Director(s)”	the director(s) of the Company
“EAF(s)” or “Excess Application Form(s)”	the excess application form(s) to be issued to Qualifying Shareholders (other than the PRC Southbound Trading Investors) in respect of applications for excess Rights Shares in connection with the Rights Issue
“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 PRC
“Hongqiao Holdings”	China Hongqiao Holdings Limited (中國宏橋控股有限公司), a company incorporated in the BVI with limited liability on 5 February 2010 and one of the controlling shareholders of the Company
“Intermediary(ies)”	in relation to a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the Beneficial Owner’s broker, custodian, nominee or other relevant person who is a CCASS Participant or who has deposited the Beneficial Owner’s Shares with a CCASS Participant

DEFINITIONS

“Last Trading Day”	8 January 2016, being the last full trading day for the Shares before the release of the Announcement
“Latest Practicable Date”	18 January 2016, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“Latest Time for Termination”	means 4:00 p.m. on, Friday, 12 February 2016 or such latest time as may be agreed between the Company and the Underwriters after the latest time for acceptance, being the latest time by which any of the Underwriters may terminate the Underwriting Agreement
“Latest Time for Transfer”	4:30 p.m. on 15 January 2016, being the latest time for lodging transfer of Shares prior to the closure of the Register of Members
“Laws”	any national, central, federal, provincial, state, regional, municipal, local or foreign laws, statutes, ordinances, legal codes, regulations or rules, including without limitation, common law or case law and any rules, regulations, guidelines, circulars (in each case, to the extent mandatory or, if not complied with, the basis for legal, administrative or regulatory consequences), judgments or rulings
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“nil-paid Rights”	right to subscribe for Right Shares (in the form of Rights Shares in nil-paid form) before the Subscription Price is paid
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) (if any) in respect of whom the Directors, after making relevant enquiries, consider it necessary or expedient to exclude from the Rights Issue on account either of the legal restrictions under the Laws of the relevant place in which the Overseas Shareholder is located or the requirements of any relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) (if any) whose name(s) appeared on the Register of Members on the Record Date and whose address(es) as shown on such register is/are in a place outside Hong Kong or beneficial owners (other than the PRC Southbound Trading Investors) who are otherwise known by the Company to be residents of any jurisdiction(s) outside of Hong Kong

DEFINITIONS

“PAL(s)” or “Provisional Allotment Letter(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in respect of their assured entitlements in connection with the Rights Issue
“PRC”	The People’s Republic of China, which for the purpose of this Prospectus, excludes Hong Kong, Macau and Taiwan
“PRC Southbound Trading Investors”	the PRC investors who hold the shares of Hong Kong listed companies through ChinaClear as nominee under the Southbound Trading Link. For the purpose of this Prospectus, PRC Southbound Trading Investors are not Shareholders or Beneficial Owners in the Specified Territories
“Prospectus”	this prospectus
“Prospectus Documents”	the Prospectus, the PAL(s), the EAF(s) and any other documents issued by or with the authority of the Company in connection with the Rights Issue
“Prospectus Posting Date”	22 January 2016, or such other date as the Underwriters may agree in writing with the Company as the date of despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	Shareholders, other than the Non-Qualifying Shareholder(s) (if any), whose name(s) appeared on the Register of Members on the Record Date
“Receiving Bank”	Wing Lung Bank Limited
“Record Date”	18 January 2016, or such other date as the Underwriters may agree in writing with the Company as the date by reference to which entitlements under the Rights Issue will be determined
“Register of Members”	the register of members of the Company
“Registered Owner”	in respect of a Beneficial Owner, means a nominee, trustee, depositary or any other authorised custodian or third party which is the registered holder in the Register of Members of the Shares in which the Beneficial Owner is beneficially interested
“Registrar”	Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, being the Company’s share registrar and transfer office in Hong Kong
“Regulation S”	Regulation S under the U.S. Securities Act

DEFINITIONS

“Remaining Shares”	the number of Underwritten Shares which have not been taken up by the Qualifying Shareholders
“Rights Issue”	the proposed issue by the Company of the Rights Shares at the Subscription Price on the basis of 7 Rights Shares for every 50 existing Shares held on the Record Date payable in full on acceptance and subject to the terms as set out in this Prospectus and in the Prospectus Documents
“Rights Share(s)”	891,550,213 new shares to be allotted and issued under the Rights Issue
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	The Securities and Futures Commission
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	existing 6,368,215,810 share(s) of the Company with a par value of US\$0.01
“Shareholder(s)”	holder(s) of Shares
“Sole Global Coordinator, Sole Bookrunner and Financial Adviser to the Company”	CMBI
“Southbound Trading Link”	a securities trading and clearing link under which PRC domestic investors may trade in the Hong Kong Stock Exchange via ChinaClear
“Specified Territory(ies)”	the PRC (other than PRC Southbound Trading Investors)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$4.31 per Rights Share pursuant to the Rights Issue
“subsidiary(ies)”	has the meaning ascribed thereto under the Companies Ordinance
“take up” or “taken up”	in the context of the Rights Issue, such Rights Shares in respect of which the valid PALs and EAFs have been lodged and accompanied by cheques or other remittances for the full amount payable in respect thereof

DEFINITIONS

“Taxation”	all forms of taxation whenever created, imposed or arising and whether of Hong Kong or of any part of the world and, without prejudice to the generality of the foregoing, includes all forms of taxation on or relating to profits, salaries, interest and other forms of income, taxation on capital gains, sales and value added taxation, estate duty, death duty, capital duty, stamp duty, payroll taxation, rates and other taxes or charges relating to property, customs and other import and excise duties, and generally all taxation, duty, impost, levy, rate, charge or any amount payable to revenue, customs or fiscal authorities whether of Hong Kong or of any part of the world
“Underwriters”	CMBI and Hongqiao Holdings
“Underwriting Agreement”	the underwriting agreement dated 8 January 2016 entered into among the Company, CMBI and Hongqiao Holdings in relation to the underwriting and certain other arrangements in respect of the Rights Issue
“Underwritten Shares”	all of the Rights Shares, other than the Rights Shares that are provisionally allotted to Hongqiao Holdings as a shareholder of the Company
“U.S.” or “United States”	the United States of America
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent.

For the purpose of this Prospectus, amounts denominated in RMB have been translated into HK\$ at an exchange rate of HK\$1.00:RMB0.8227. No representation is made that any amounts in RMB and HK\$ can be or could have been converted at the relevant dates at the above rates or at any other rates at all.

EXPECTED TIMETABLE OF THE RIGHTS ISSUE

EXPECTED TIMETABLE OF THE RIGHTS ISSUE

Set out below is an indicative timetable for the implementation of the Rights Issue. The timetable is subject to change in accordance with the agreement between the Company and the Underwriters. The Company will notify the Shareholders on any changes to the expected timetable as and when appropriate.

The expected timetable for the proposed Rights Issue is set out below:

Last day of dealings in Shares on a cum-rights basis	13 January 2016
First day of dealings in Shares on an ex-rights basis	14 January 2016
Latest time for lodging transfers of Shares and related documents in order to qualify for the Rights Issue	4:30 p.m., 15 January 2016
Register of Members closes	18 January 2016 to 21 January 2016 (both days inclusive)
Record Date	18 January 2016
Register of Members re-open	22 January 2016
Despatch of the Prospectus Documents	22 January 2016
First day of dealings in nil-paid Rights Shares	9:00 a.m., 26 January 2016
Latest time for splitting of nil-paid Rights Shares	4:00 p.m., 28 January 2016
Last day of dealings in nil-paid Rights Shares	4:00 p.m., 2 February 2016
Latest time for payment for and acceptance of Rights Shares and the application and payment for the excess Rights Shares	4:00 p.m., 5 February 2016
Rights Issue expected to become unconditional after	4:00 p.m., 12 February 2016
Announcement of results of acceptance and excess application of the Rights Issue	17 February 2016
Despatch of refund cheques for wholly and partially unsuccessful excess applications on or before	18 February 2016
Share certificates for Rights Shares to be posted on or before	18 February 2016
First day of dealings in fully-paid Rights Shares	9:00 a.m., 19 February 2016

EXPECTED TIMETABLE OF THE RIGHTS ISSUE

Designated broker starts to stand in the market to provide
matching services for odd lots of shares 19 February 2016

The last day for the designated broker to provide matching
services for odd lots of shares 9 March 2016

Note: All times and dates in this Prospectus refer to Hong Kong local times and dates. Dates or deadlines specified in this prospectus are indicative only and may be varied by agreement between the Company and the Underwriters. Any consequential changes to the expected timetable will be published or notified to Shareholders and the Stock Exchange as appropriate.

The Company, with the assistance of the Registrar, will monitor the process of the Rights Issue to ensure that the Rights Issue will be conducted in a fair and orderly manner. In the event any special circumstances arise, the Board may extend, or make adjustment to, the timetable of the Rights Issue if it considers appropriate.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR RIGHTS SHARES

The latest time for acceptance of and payment for the Rights Shares will not take place as shown if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on 5 February 2016. Instead the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on 5 February 2016. Instead the latest time of acceptance of and 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 at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares does not take place on 5 February 2016, the dates mentioned in the section headed “Expected Timetable of the Rights Issue” above may be affected. The Company will notify its Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

SUMMARY OF THE RIGHTS ISSUE

The following information is derived from, and should be read in conjunction with, the full text of this Prospectus:

Basis of Rights Issue:	7 Rights Shares for every 50 existing Shares held by Qualifying Shareholders on the Record Date
Subscription Price:	HK\$4.31 per Rights Share
Number of existing Shares in issue as at the Latest Practicable Date:	6,368,215,810 Shares
Number of Rights Shares to be issued under the Rights Issue:	891,550,213 Rights Shares
Amount to be raised:	Approximately HK\$3,842,581,000, before expenses by way of the Rights Issue
Underwriters:	CMBI and Hongqiao Holdings
Sole Global Coordinator, Sole Bookrunner and Financial Adviser to the Company:	CMBI
Enlarged number of shares in issue upon completion of the Rights Issue:	7,259,766,023 shares
Excess applications:	Qualifying Shareholders (other than the PRC Southbound Trading Investors) may apply for Rights Shares in excess of their provisional allotment

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriting Agreement contains provisions granting the Underwriters, by notice to the Company and Hongqiao Holdings, the right to terminate the Underwriting Agreement on the occurrence of the following events:

If, at any time prior to the Latest Time for Termination:

- (a) there shall develop, occur, exist or come into effect:
- (i) any new Laws or any change in existing Laws or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or the PRC; or
 - (ii) any local, national or international event or change (whether or not foregoing part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic, fiscal, industrial, legal, regulatory, currency or market conditions or other nature (whether or not ejusdem 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 affecting local securities markets; or
 - (iii) any change, or any development involving a prospective change, or any event or circumstance likely to result in a change, in or affecting the assets, liabilities, business, general affairs, management, shareholders' equity, profits, losses, results of operations, financial position or condition, or performance of the Company and the other members of the Group, taken as a whole; or
 - (iv) any event or circumstance in the nature of force majeure (including, without limitation, any act of government, economic sanctions, strike or lock-out (whether or not covered by insurance), riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of emergency or calamity or crisis; or
 - (v) a general moratorium on commercial banking activities declared by relevant authorities in Hong Kong, the PRC, the United States or the European Union (as a whole) or a material disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in Hong Kong, the PRC, the United States or the European Union (as a whole); or
 - (vi) any change, or any development involving a prospective change, or any event or circumstance likely to result in a change, in or affecting any Taxation, exchange controls or currency exchange rates in Hong Kong, the PRC, the United States or the European Union (as a whole); or

TERMINATION OF THE UNDERWRITING AGREEMENT

(vii) any suspension of dealings in the Shares for a period of more than ten consecutive Business Days (other than as a result of announcing the Rights Issue) during the period from the date of the Underwriting Agreement to the Latest Time for Termination; or

(viii) an authority or a political body or organization in any relevant jurisdiction commencing any investigation in respect of any serious or indictable offence against any Director of the Company, rendering such Director disqualified to perform his or her duties as a Director of the Company;

which, in the sole and absolute opinion of the Underwriters:

(1) has or will have or is likely to have a material adverse effect on the business or financial or trading position of the Group or the Rights Issue; or

(2) has or will have or is likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares taken up; or

(3) makes it inadvisable or inexpedient for the Company to proceed with the Rights Issue; or

(b) there comes to the notice of the Underwriters:

(i) any matter or event showing any of the warranties was, when given, untrue or misleading or as having been breached in any material respect; or

(ii) any material breach by the Company of the Underwriting Agreement, or any material breach by Hongqiao Holdings of the deed of irrevocable undertaking given by Hongqiao Holdings or their respective obligations contained therein; or

(iii) there is any event or matter or any other reason which would or may result in Hongqiao Holdings not having sufficient financial resources to discharge all of its obligations under the Underwriting Agreement and the deed of irrevocable undertaking given by Hongqiao Holdings; or

(iv) there is any event or change or any other reason which would or may result in that a supplemental prospectus is or will be or is required to be issued, whether required by the Stock Exchange or not,

then and in any such case the Underwriters may (except in respect of (b)(iii) above only, CMBI may act solely), upon giving notice to the Company and Hongqiao Holdings (where applicable), terminate the Underwriting Agreement with immediate effect.

In the event any of the Underwriters exercise its right to terminate the Underwriting Agreement prior to the Latest Time for Termination, the obligations of all parties thereunder shall terminate forthwith (save in respect of certain rights or obligations under the Underwriting

TERMINATION OF THE UNDERWRITING AGREEMENT

Agreement) and no party will have any claim against any other for costs, damages, compensation or otherwise provided that such termination shall be without prejudice to the rights of the Company and the Underwriters in respect of any breach of the Underwriting Agreement occurring prior to such termination.

If any of the Underwriters exercises such rights, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed. Further announcement will be made by the Company if the Underwriting Agreement is terminated by any of the Underwriters.

LETTER FROM THE BOARD



China Hongqiao Group Limited

中國宏橋集團有限公司

(Incorporated under the laws of Cayman Islands with limited liability)

(Stock Code: 1378)

Board of Directors:

Executive Directors:

Mr. Zhang Shiping (*Chairman*)

Ms. Zheng Shuliang (*Vice Chairman*)

Mr. Zhang Bo (*Chief Executive Officer*)

Non-executive Directors:

Mr. Yang Congsen

Mr. Zhang Jinglei

Independent Non-executive Directors:

Mr. Xing Jian

Mr. Chen Yinghai

Mr. Han Benwen

Head office in the PRC:

Huixian One Road

Zouping Economic Development District

Zouping County

Shandong Province

The PRC

Registered office:

Floor 4, Willow House

Cricket Square, P O Box 2804

Grand Cayman KY1-1112

Cayman Islands

Place of business in Hong Kong:

Suite 5108, The Center

99th Queen's Road Central

Central

Hong Kong

22 January 2016

To Qualifying Shareholders, and for information only, Non-Qualifying Shareholder(s)

Dear Sir or Madam,

**RIGHTS ISSUE OF
891,550,213 RIGHTS SHARES
AT THE SUBSCRIPTION PRICE
OF HK\$4.31 PER RIGHTS SHARE
ON THE BASIS OF 7 RIGHTS SHARES
FOR EVERY 50 SHARES
HELD ON THE RECORD DATE**

INTRODUCTION

The Board announced on 8 January 2016 that the Company proposes to raise approximately HK\$3,842,581,000 before deduction of expenses by way of the Rights Issue, pursuant to which 891,550,213 Rights Shares will be issued at the Subscription Price of HK\$4.31 per Rights Share.

LETTER FROM THE BOARD

The Company has provisionally allotted 7 Rights Shares for every 50 existing Shares held by the Qualifying Shareholders on the Record Date on a pro rata basis. Qualifying Shareholders (other than the PRC Southbound Trading Investors) are entitled to apply for additional Rights Shares in excess of their respective entitlements under the Rights Issue. The Rights Issue is not available to the Non-Qualifying Shareholder(s) (if any).

The Rights Issue is subject to, among other things, the Underwriting Agreement becoming unconditional and not being terminated on the occurrence of certain events including force majeure.

The purpose of this Prospectus is to provide you with further information regarding the Rights Issue, including information on dealings in, transfer of, and application for the Rights Shares, and financial information and other information of the Group.

PROPOSED RIGHTS ISSUE

Issue statistics

Basis of Rights Issue:	7 Rights Shares for every 50 existing Shares held on the Record Date
Subscription Price:	HK\$4.31 per Rights Share
Number of existing Shares in issue:	6,368,215,810 Shares as at the Latest Practicable Date
Number of Rights Shares to be issued under the Rights Issue:	891,550,213 Rights Shares
Amount to be raised:	Approximately HK\$3,842,581,000, before expenses
Underwriters:	CMBI and Hongqiao Holdings
Sole Global Coordinator, Sole Bookrunner and Financial Adviser to the Company:	CMBI
Enlarged number of shares in issue upon completion of the Rights Issue:	7,259,766,023 shares
Excess applications:	Qualifying Shareholders (other than the PRC Southbound Trading Investors) may apply for Rights Shares in excess of their provisional allotment

The basis of the Rights Issue, being 7 Rights Shares for every 50 existing Shares held by Qualifying Shareholders on the Record Date, was primarily determined by the Board with reference to the intended amount of gross proceeds (being approximately HK\$3,842,581,000) to be raised from the Rights Issue.

LETTER FROM THE BOARD

TERMS OF THE RIGHTS ISSUE

As at the Latest Practicable Date, the Company does not have any share option scheme and the Company has no outstanding convertible securities or options in issue or other similar rights which confer any rights to convert into or subscribe for Shares as at the Latest Practicable Date.

The aggregate number of the nil-paid Rights Shares proposed to be provisionally allotted pursuant to the terms of the Rights Issue represents:

- (i) approximately 14.00% of the Company's total number of issued Shares as at the Latest Practicable Date; and
- (ii) approximately 12.28% of the Company's issued Shares as enlarged by the Rights Shares.

Subscription Price

The Subscription Price for the Rights Shares is HK\$4.31 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of Rights Shares or, where applicable, upon application for excess Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the relevant Rights Shares.

The Subscription Price represents:

- (i) same as the closing price of HK\$4.31 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 2.71% to the average of the closing prices per Share as quoted on the Stock Exchange for the five previous consecutive trading days up to and including the Last Trading Day of approximately HK\$4.43;
- (iii) a discount of approximately 1.60% to the average of the closing prices per Share as quoted on the Stock Exchange for the ten previous consecutive trading days up to and including the Last Trading Day of approximately HK\$4.38;
- (iv) same as the theoretical ex-rights price of approximately HK\$4.31 per Share based on the closing price of HK\$4.31 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a premium of approximately 10.23% to the closing price per Share as quoted on the Stock Exchange as at the Latest Practicable Date as of approximately HK\$3.91; and
- (vi) a discount of approximately 36.43% to the net asset value per each share of HK\$6.78 as at 30 November 2015 based on the management account of the Group.

Each Rights Share has a par value of US\$0.01.

LETTER FROM THE BOARD

The Subscription Price was determined by the Board with reference to the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day and the financial conditions of the Company. Each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its shareholding in the Company held on the Record Date.

After taking into consideration the reasons for the Rights Issue and the use of proceeds, the Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Subscription Price (and the discount or premium to the relative values as indicated above), to be fair and reasonable and to be in the interests of the Company and the Shareholders as a whole.

Qualifying Shareholders

To qualify for the subscription of the Rights Shares, a Shareholder must:

- (i) be registered as a member of the Company on the Record Date; and
- (ii) not be a Non-Qualifying Shareholder.

Based on the Register of Members on the Record Date, there is no Overseas Shareholders whose registered addresses as shown in the Register of Members were outside Hong Kong. For the entitlement of the PRC Southbound Trading Investors in participation of the Rights Issue, please refer to “PRC Southbound Trading Investors” below.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company. If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

The PRC Southbound Trading Investors may participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Southbound Trading Investors to (i) sell their nil-paid Rights Shares on the Stock Exchange; and/or (ii) subscribe for their pro rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant Laws. However, ChinaClear will not support applications by such PRC Southbound Trading Investors for excess Rights Shares under the Rights Issue through Southbound Trading Link.

LETTER FROM THE BOARD

Non-Qualifying Shareholders

Non-Qualifying Shareholders are:

- (i) those Overseas Shareholders; and
- (ii) those Shareholders and Beneficial Owners who are known by the Company to be residents of places outside Hong Kong (other than the PRC Southbound Trading Investors),

in respect of whom the Directors, based on relevant enquiries, consider it necessary or expedient not to offer the Rights Shares on account either of the legal restrictions under the Laws of the relevant place in which the Shareholder or Beneficial Owner (as the case maybe) is located or any requirement of the relevant regulatory body or stock exchange in that place.

The Board has made due enquiries pursuant to Rule 13.36(2) of the Listing Rules as to the applicable securities legislation of the Specified Territories or the requirements of any relevant regulatory body or stock exchange for the issue of the Rights Shares in those territories. Having considered the circumstances, the Directors have formed the view that, other than subject to certain limited exceptions as described below, it is necessary or expedient not to offer the Rights Shares (neither in nil-paid nor fully-paid forms) to Shareholders or Beneficial Owners in the Specified Territories (other than the PRC Southbound Trading Investors) due to the time and costs involved in the registration or filing of this Prospectus and/or approval required by the relevant authorities in those territories and/or additional steps the Company and/or Shareholders and/or Beneficial Owners need to take to comply with the local legal requirements and/or other requirements to be satisfied in order to comply with relevant local legal or regulatory requirements in those territories.

Accordingly, for the purposes of the Rights Issue, the Non-Qualifying Shareholders (if any) are Shareholders whose name(s) appeared in the Register of Members on the Record Date and whose address(es) as shown in such register is/are in any of the Specified Territories (other than PRC Southbound Trading Investors).

Notwithstanding any other provision in this Prospectus or the Provisional Allotment Letter or the Excess Application Form, the Company reserves the right to permit any Shareholder to take up his/her/its rights if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

Rights Shares have been provisionally allotted to all Shareholders whom the Company considers as Qualifying Shareholders. In respect of those Shareholders whose name(s) appeared in the Register of Members on the Record Date and whose address(es) as shown in such register is/are in any of the Specified Territories (other than the PRC Southbound Trading Investors), the Rights Shares which would otherwise have been provisionally allotted to them have instead been provisionally allotted to a nominee and will be sold in the market in their nil-paid form in accordance with the procedures described below. Provisional Allotment Letters and Excess Application Forms have not been, and will

LETTER FROM THE BOARD

not be, sent to Shareholders with address(es) in, or who are otherwise known to the Company to be resident in, any of the Specified Territories except where the Company is satisfied that such action would not result in a contravention of any registration or other legal requirement in any such jurisdictions.

Receipt of this Prospectus and/or a Provisional Allotment Letter and/or an Excess Application Form or the crediting of Rights Share(s) in nil-paid form to a stock account in CCASS does not and will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus and/or a Provisional Allotment Letter and/or an Excess Application Form must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, custodians, nominees and trustees) who receive a copy of this Prospectus and/or a Provisional Allotment Letter and/or an Excess Application Form or whose stock account in CCASS is credited with Rights Share(s) in nil-paid form should not, in connection with the Rights Issue, distribute in or send the same in, into or from, or transfer Rights Share(s) in nil-paid form to any person in, into or from, any of the Specified Territories. If a Provisional Allotment Letter or an Excess Application Form or a credit of Rights Share(s) in nil-paid form in a stock account in CCASS is received by any person in any such territories, or by his/her/its agent or nominee, he/she/it should not seek to take up the rights referred to in the Provisional Allotment Letter or transfer the Provisional Allotment Letter (or apply for any excess Rights Shares under the Excess Application Form) or transfer the Rights Share(s) in nil-paid form in CCASS unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, nominees and trustees) who does forward this Prospectus or a Provisional Allotment Letter or an Excess Application Form in, into or from any Specified Territories (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

Arrangements will be made for the Rights Shares in the nil-paid form which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, had they been Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence on the Stock Exchange and in any event before the last date for dealings in nil-paid Rights Shares, if a premium (net of expenses) can be obtained. The proceeds of each sale, less expenses and stamp duty, of more than HK\$100 will be paid to the relevant Non-Qualifying Shareholder(s) (pro rata to their shareholdings on the Record Date) in Hong Kong dollars in form of cheque by ordinary post at their own risk. The Company will retain individual amounts of HK\$100 or less for the benefit of the Company. Any unsold entitlement of the Non-Qualifying Shareholders, together with any Rights Shares provisionally allotted but not accepted by Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares, will be made available for excess application on EAFs by the Qualifying Shareholders (other than the PRC Southbound Trading Investors). Any Rights Shares in respect of unsold entitlements of Non-Qualifying Shareholders, any unsold fractional entitlements to the Rights Shares together with any Rights Shares in respect of Rights Share in nil-paid form not taken up by the Qualifying Shareholders or otherwise not subscribed for by renouncees or transferees of Rights Share in nil-paid form, will be made available for excess application on Excess Application Forms by Qualifying Shareholders (other than the PRC Southbound Trading Investors).

LETTER FROM THE BOARD

The arrangements described in the above paragraph will not apply to any Non-Qualifying Shareholder who is a Shareholder or Beneficial Owner residing in any of the Specified Territories but (in the case of a Shareholder) whose address, or (in the case of a Beneficial Owner) who holds his/her/its interest in Shares through a Registered Owner whose address, was shown in the Register of Members on the Record Date as not being in a Specified Territory. Such Shareholders and Beneficial Owners (other than the PRC Southbound Trading Investors) are referred to herein as “**Non-Qualifying Beneficial Owners**” and may include Beneficial Owners holding interests in Shares through CCASS (which Shares are registered in the Register of Members in the name of HKSCC Nominees Limited, a company incorporated in Hong Kong). The Company is unable to extend those arrangements to such Non-Qualifying Beneficial Owners as the Company does not have the necessary information in relation to such Non-Qualifying Beneficial Owners to make a unilateral determination as to whether those Shareholders or Beneficial Owners are Non-Qualifying Shareholders for the purposes of the Rights Issue. Instead of the arrangements described above, the nil-paid Rights Shares which would otherwise have been available to be taken up by those Non-Qualifying Beneficial Owners will not be sold in the market and the relevant Non-Qualifying Beneficial Owners will not receive the proceeds of any such sale. All Non-Qualifying Beneficial Owners are advised to seek their own legal advice as to whether or not they may be permitted, having regard to their own particular circumstances (including the Laws of the relevant jurisdiction in which they are resident), to sell their nil-paid Rights Shares in the market. Any such nil-paid Rights Shares which are not sold in the market by Non-Qualifying Beneficial Owners will be made available for excess applications on Excess Application Forms by Qualifying Shareholders (other than the PRC Southbound Trading Investors).

With respect to Non-Qualifying Shareholders who hold interests in Shares through CCASS, their nominees, custodians or other Intermediaries may sell, on such Non-Qualifying Shareholders’ behalf, their entitlements to the nil-paid Rights Shares in compliance with applicable securities Laws and distribute the proceeds thereof as appropriate. None of the nominees, custodians or other Intermediaries of any Non-Qualifying Shareholders located in the United States may distribute, forward or deliver, electronically or otherwise, any Prospectus Documents to, nor take up, exercise, subscribe for any Rights Shares in nil-paid or fully-paid forms for, or on behalf of, any Non-Qualifying Shareholders within the United States.

The Company reserves the right to treat as invalid any acceptance of or application for the nil-paid Rights Shares where it believes that such acceptance or application would violate the applicable securities or other Laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and Beneficial Owners who are residing outside Hong Kong should exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Basis of provisional allotment

The basis of the provisional allotment shall be 7 Rights Shares for every 50 existing Shares held on the Record Date, being 891,550,213 Right Shares in aggregate, at a price of HK\$4.31 per Rights Share by Qualifying Shareholders. Acceptance 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. Please refer to the section headed “Procedures for acceptance or transfer of Rights Shares by Qualifying Shareholders” below for further details.

LETTER FROM THE BOARD

If a Qualifying Shareholder wishes to accept only part of, or transfer a part of, his/her/its Rights Shares provisionally allotted to him/her/it under the PAL or to transfer his/her/its rights to more than one person, please refer to the paragraphs headed “Transfers and ‘splitting’ of nil-paid Rights Shares” under the section headed “Procedures for acceptance or transfer of Rights Shares by Qualifying Shareholders” below.

Distribution of this Prospectus and the other Prospectus Documents

The Company will only send this Prospectus accompanied by the other Prospectus Documents to the Qualifying Shareholders. However, to the extent reasonably practicable and legally permitted, the Company will send this Prospectus, for information purposes only, to the Non-Qualifying Shareholders. The Company will not send any Provisional Allotment Letter or Excess Application Form to the Non-Qualifying Shareholders.

Distribution of this Prospectus and the other Prospectus Documents into jurisdictions other than Hong Kong may be restricted by Law. Persons into whose possession the Prospectus Documents come (including, without limitation, agents, custodians, nominees and trustees) should inform themselves of and observe any such restriction. Any failure to comply with such restriction may constitute a violation of the securities Laws of any such jurisdiction. Any Shareholder or Beneficial Owner who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay. In particular, subject to certain exceptions as determined by the Company, this Prospectus should not be distributed to, forwarded to or transmitted in, into or from any of the Specified Territories with the Provisional Allotment Letter or the Excess Application Form.

It is the responsibility of any person (including but not limited to agent, custodian, nominee and trustee) outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself as to the full observance of the Laws of the relevant territories or jurisdiction, including the obtaining of any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territories or jurisdiction in connection therewith. Any acceptance of the offer of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local Laws and requirements have been fully complied with. Shareholders should consult their professional advisers if in doubt.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to the representations and warranties above.

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than: (i) Hong Kong; and (ii) the PRC, in accordance with the CSRC Notice after the approval from the Stock Exchange for the listing of the Rights Shares (in nil-paid and fully-paid forms) has been obtained.

LETTER FROM THE BOARD

PRC Southbound Trading Investors

According to the “CCASS Shareholding Search” available on the Stock Exchange’s website (www.hkexnews.hk), as at the Record Date, ChinaClear holds 453,856,000 Shares, representing approximately 7.12% of the total issued Shares. ChinaClear is a CCASS Participant with HKSCC Nominees Limited.

The Directors have made the relevant enquiries and were advised that the PRC Southbound Trading Investors can participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Southbound Trading Investors to (i) sell (in full or in part) their nil-paid Rights on the Stock Exchange; and/or to (ii) subscribe (in full or in part) for their pro rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant Laws. However, ChinaClear will not support applications by such PRC Southbound Trading Investors for excess Rights Shares under the Rights Issue through Southbound Trading Link. In addition, according to the PRC legal adviser of the Company, the PRC Southbound Trading Investors (or the relevant ChinaClear participants as the case may be) whose stock accounts in the ChinaClear are credited with nil-paid Rights can only sell those nil-paid Rights on the Stock Exchange via ChinaClear under Southbound Trading Link and can neither purchase any nil-paid Rights nor transfer such nil-paid Rights to other PRC Southbound Trading Investors.

The PRC Southbound Trading Investors should seek advice from their Intermediary (including broker, custodian, nominee or ChinaClear participant) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear, and provide instructions with such Intermediary in relation to the acceptance and/or sale of the nil-paid Rights. Such instructions should be given in advance of the relevant dates stated in the section headed “Expected Timetable of the Rights Issue” of this Prospectus and otherwise in accordance with the requirements of the Intermediary of the PRC Southbound Trading Investors and/or ChinaClear in order to allow sufficient time to ensure that such instructions are given effect.

According to the PRC legal adviser of the Company, as the Prospectus Documents have not been and are not intended to be filed with or approved by the CSRC other than in accordance with the CSRC Notice, the Rights Shares (in both their nil-paid and fully-paid forms) shall not be offered and may not be offered or sold directly or indirectly in the PRC to any person or entity, unless such person or entity is a PRC Southbound Trading Investor (subject to certain limitations in relation to its rights to participate in the Rights Issue as explained in this Prospectus), or it has otherwise been exempted by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC Laws.

As such, the Prospectus Documents may not be distributed in or forwarded to the PRC or used in connection with any offer for subscription or sale of the Rights Shares (in nil-paid and fully-paid forms) in the PRC, except that the same may be despatched to ChinaClear in the PRC or to the extent in compliance with applicable PRC Laws, and the Prospectus Documents may not be made publicly available in the PRC.

LETTER FROM THE BOARD

Save and except for the PRC Southbound Trading Investors, based on the legal advice of the PRC legal adviser of the Company, other Shareholders in the PRC are not entitled to participate in the Rights Issue.

Procedures for acceptance or transfer of Rights Shares by Qualifying Shareholders

General

Any person (including, without limitation, agents, nominees and trustees) wishing to take up his/her/its rights under the Rights Issue must satisfy himself/herself/itself as to full observance of the applicable Laws of any relevant territories including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The attention of Shareholders with registered addresses in, and Shareholders or Beneficial Owners who are otherwise residing in, any of the Specified Territories (other than the PRC Southbound Trading Investors) and persons holding Shares on behalf of persons with such addresses or residences is drawn to the sections above headed “Non-Qualifying Shareholders”.

Each purchaser of nil-paid Rights Shares or subscriber of Rights Shares will be deemed (by accepting delivery of this Prospectus) to have given each of the following representations and warranties to the Company and the Underwriters and to any person acting on their behalf, unless in their sole discretion the Company and the Underwriters waive such requirement:

- He/she/it was a Shareholder on the Record Date, or he/she/it lawfully acquired or may lawfully acquire the rights, directly or indirectly, from such a person;
- He/she/it may lawfully be offered, take up, obtain, subscribe for and receive the rights and/or the Rights Shares in the jurisdiction in which he/she/it resides or is currently located;
- He/she/it is not resident or located in, or a citizen of, the U.S.;
- He/she/it is not accepting an offer to acquire or take up the rights or Rights Shares on a non-discretionary basis for a person or for the account of a person who is resident or located in, or a citizen of, the U.S. at the time the instruction to accept was given;
- He/she/it is acquiring the rights and/or the Rights Shares in an “offshore transaction” as defined in Regulation S under the U.S. Securities Act;
- He/she/it has not been offered the Rights Shares by means of any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act;
- He/she/it is not acquiring rights or Rights Shares or subscribing for or accepting Rights Shares with a view to the offer, sale, renouncement, transfer, delivery or distribution, directly or indirectly, of such rights or Rights Shares into the U.S.; and

LETTER FROM THE BOARD

- He/she/it understands that neither the rights nor the Rights Shares have been or will be registered under the U.S. Securities Act or with any securities regulatory authority of any state, territories, or possession of the U.S. and the rights and Rights Shares are being distributed and offered only outside the U.S. in reliance on Regulation S. Consequently he/she/it understands the rights or Rights Shares may not be offered, sold, renounced, pledged or otherwise transferred in or into the U.S., except in reliance on an exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties above.

Action to be taken by Qualifying Shareholders

Acceptance for all Rights Shares provisionally allotted

For each Qualifying Shareholder, a Provisional Allotment Letter is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to accept the number of the Rights Shares shown thereon. If a Qualifying Shareholder wishes to take up his/her/its right to accept any or all the Rights Shares provisionally allotted to him/her/it as specified in the Provisional Allotment Letter, he/she/it must lodge the Provisional Allotment Letter in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, at the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by not later than 4:00 p.m. on 5 February 2016. All remittances must be made in Hong Kong dollars and cheques or cashier's orders must be drawn on a bank account in Hong Kong and made payable to "**China Hongqiao Group Ltd — PAL**" and crossed "**Account Payee Only**".

A Provisional Allotment Letter can be lodged from 25 January 2016 to 4:00 p.m., 5 February 2016 (both days inclusive) at these times:

Monday to Friday: 9:00 a.m. to 4:30 p.m.; and

Acceptance Date (5 February 2016): 9:00 a.m. to 4:00 p.m.

It should be noted that unless the Provisional Allotment Letter, together with appropriate remittance, has been lodged at the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by 4:00 p.m. on the Acceptance Date, whether by the original allottee or any person in whose favour the rights have been validly renounced or transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its discretion, treat a Provisional Allotment Letter as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

The Provisional Allotment Letter contains further information regarding the procedures to be followed for acceptance of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

LETTER FROM THE BOARD

All cheques and cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Any Provisional Allotment Letter in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. Completion and return of Provisional Allotment Letter together with a cheque or cashier's order in payment for the Rights Shares accepted will constitute a warranty by the applicant(s) that the cheque or cashier's order will be honoured on first presentation. If the Rights Issue does not proceed, the monies received in respect of the relevant provisional allotments will be refunded to the Qualifying Shareholders or such other person to whom the Rights Shares in their nil-paid form have been validly renounced or transferred or, in the case of joint acceptances, to the first-named person, without interest and by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Registrar on or before 18 February 2016.

You must pay the exact amount payable upon application for the Rights Shares by cheque or cashier's order or any method agreed by the Company. Underpaid applications will be rejected. In the event of overpaid application, a refund cheque will be made out to you only if the overpaid amount is HK\$100 or above.

Transfers and "splitting" of nil-paid Rights Shares

The nil-paid Rights Shares can be traded on the Stock Exchange. A Qualifying Shareholder can accept all of his/her/its provisional allotment of Rights Shares, or sell all of his/her/its provisional allotment on the Stock Exchange or accept only part of his/her/its provisional allotment and sell the remaining part on the Stock Exchange.

If a Qualifying Shareholder wishes to accept only part of, or to renounce or to transfer a part of, his/her/its Rights Shares provisionally allotted to him/her/it under the Provisional Allotment Letter or to renounce or to transfer his/her/its rights to more than one person, the entire Provisional Allotment Letter must be surrendered and lodged for cancellation together with a covering letter stating clearly the number of split Provisional Allotment Letters required and the number of nil-paid Rights Shares to be comprised in each split Provisional Allotment Letter (which, in aggregate, should be equal to the number of Rights Shares provisionally allotted to such holder as stated in Box B of the original Provisional Allotment Letter), by not later than 4:00 p.m. on 28 January 2016 to the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, who will cancel the original Provisional Allotment Letter and issue new Provisional Allotment Letters in the denominations required which will be available for collection from the Registrar at the above address after 9:00 a.m. on the second Business Day after the surrender of the original Provisional Allotment Letter. This process is commonly known as "splitting" the nil-paid Rights Shares.

Having "split" the nil-paid Rights Shares, a Qualifying Shareholder who wishes to accept the provisional allotment of Rights Shares represented by a new Provisional Allotment Letter should do so in accordance with the instructions given above in the section headed "Acceptance for all Rights Shares provisionally allotted".

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If a Qualifying Shareholder wishes to renounce or transfer all of his/her/its nil-paid Rights Shares under a Provisional Allotment Letter (or a split Provisional Allotment Letter, as the case may be) to another person, he/she/it should complete and sign the “Form of Transfer and Nomination” (Form B) in the Provisional Allotment Letter and hand the Provisional Allotment Letter to the person to or through whom he/she/it is transferring his/her/its nil-paid Rights Shares. The transferee must then complete and sign the same “Registration Application Form” (Form C) in the Provisional Allotment Letter and lodge the Provisional Allotment Letter intact together with a remittance for the full amount payable on acceptance with the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, by not later than 4:00 p.m. on 5 February 2016.

It should be noted that Hong Kong stamp duty is payable in connection with the transfer of nil-paid Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights.

The Provisional Allotment Letter contains further information regarding the procedures to be followed for transfer of the whole or part of provisional allotment of the Right Shares by the Qualifying Shareholders.

The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements.

Important notice and representations and warranties relating to Qualifying Shareholders in the Specified Territories

As described above, Shareholders with registered address in the Specified Territories and Shareholders and Beneficial Owners who are otherwise known by the Company to be residing in any of the Specified Territories (other than the PRC Southbound Trading Investors) are only permitted to take up their rights under the Rights Issue if they fulfil the relevant requirements to the satisfaction of the Company.

Any Qualifying Shareholder accepting and/or transferring a Provisional Allotment Letter or requesting registration of the Rights Shares comprised therein represents and warrants to the Company that, except where proof has been provided to the satisfaction of the Company that such person’s use of the Provisional Allotment Letter will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not accepting and/or transferring the Provisional Allotment Letter, or requesting registration of the relevant rights or the Rights Shares from within any of the Specified Territories; (ii) such person is not in any of the Specified Territories or in any territory in which it is otherwise unlawful to make or accept an offer to acquire the rights or the Rights Shares or to use the Provisional Allotment Letter in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person resident in any of the Specified Territories at the time the instruction to accept or transfer was given; and (iv) such person is not acquiring the rights or the Rights Shares with a view to the offer, sale, resale, renouncement, transfer, delivery or distribution, directly or indirectly, of any such rights or Rights Shares into any of the Specified Territories.

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The Company may treat as invalid any acceptance or purported acceptance of the allotment of Rights Shares comprised in, or transfer or purported transfer of, a Provisional Allotment Letter if it: (a) appears to the Company to have been executed in, or despatched from, any of the Specified Territories and the acceptance may involve a breach of the Laws of the relevant Specified Territories or the acceptance is otherwise in a manner which may involve a breach of the Laws of any jurisdiction or if it or its agents believe the same may violate any applicable legal or regulatory requirement; (b) provides an address in any of the Specified Territories for delivery of definitive share certificates for Rights Shares and such delivery would be unlawful or provides an address for delivery of definitive share certificates in any other jurisdiction outside Hong Kong in which it would be unlawful to deliver such certificates; or (c) purports to exclude the representation and/or warranty required by the paragraph immediately above.

Action to be taken by Beneficial Owners whose Shares are held by a Registered Owner (other than Shares deposited in CCASS)

Subscription for Rights Shares provisionally allotted and transfers and “splitting” of nil-paid Rights Shares

If you are a Beneficial Owner whose Shares are registered in the name of a Registered Owner and you wish to subscribe for the Rights Shares provisionally allotted to such Registered Owner in respect of your Shares, or sell the nil-paid Rights Shares or “split” the nil-paid Rights Shares and accept part of the provisional allotment and sell the remaining part, you should contact the Registered Owner and provide the Registered Owner with instructions or make arrangements with the Registered Owner in relation to the acceptance, transfer and/or “splitting” of the rights to subscribe for the Rights Shares which have been provisionally allotted in respect of the Shares in which you are beneficially interested.

Such instructions and/or arrangements should be given or made in advance of the relevant dates stated in the section headed “Expected Timetable of the Rights Issue” and otherwise in accordance with the requirements of the Registered Owner in order to allow the Registered Owner sufficient time to ensure that your instructions are given effect.

Important notice and representations and warranties relating to Beneficial Owners in the Specified Territories whose Shares are held by a Registered Owner (other than HKSCC Nominees Limited)

As described above, Beneficial Owners resident in the Specified Territories are only permitted to take up their rights under the Rights Issue if they fulfil relevant requirements to the satisfaction of the Company.

Any Beneficial Owner instructing a Registered Owner to accept and/or transfer a Provisional Allotment Letter or request registration of the Rights Shares comprised therein, and the Registered Owner accepting and/or transferring or requesting registration, represents and warrants to the Company that, except where proof has been provided to the satisfaction of the Company that such person’s use of the Provisional Allotment Letter will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not accepting and/or renouncing the Provisional Allotment Letter, or requesting registration of the relevant nil-paid Rights Shares or the

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fully-paid Rights Shares from within any of the Specified Territories; (ii) such person is not in any of the Specified Territories or in any territory in which it is otherwise unlawful to make or accept an offer to acquire the Rights Shares or to use the Provisional Allotment Letter in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person resident in any of the Specified Territories at the time the instruction to accept or transfer was given; and (iv) such person is not acquiring the Rights Shares with a view to the offer, sale, resale, renouncement, transfer, delivery or distribution, directly or indirectly, of any such Rights Shares into any of the Specified Territories.

The Company may treat as invalid any acceptance or purported acceptance of the allotment of Rights Shares comprised in, or transfer or purported transfer of, a Provisional Allotment Letter if it: (a) appears to the Company to have been executed in, or despatched from, any of the Specified Territories and the acceptance may involve a breach of the Laws of the relevant Specified Territories or the acceptance is otherwise in a manner which may involve a breach of the Laws of any jurisdiction or if it or its agents believe the same may violate any applicable legal or regulatory requirement; (b) provides an address in any of the Specified Territories for delivery of definitive share certificates for Rights Shares and such delivery would be unlawful or provides an address for delivery of definitive share certificates in any other jurisdiction outside Hong Kong in which it would be unlawful to deliver such certificates; or (c) purports to exclude the representation and/or warranty required by the paragraph immediately above.

Action to be taken by Beneficial Owners holding interests in Shares through CCASS

Subscription for Rights Shares provisionally allotted and transfers and “splitting” of nil-paid Rights Shares

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, and you wish to subscribe for the Rights Shares provisionally allotted to you, or sell your nil-paid Rights Shares or “split” your nil-paid Rights Shares and accept part of your provisional allotment and sell the remaining part, you should (unless you are a CCASS Investor Participant) contact your Intermediary and provide your Intermediary with instructions or make arrangements with your Intermediary in relation to the acceptance, transfer and/or “splitting” of the rights to subscribe for the Rights Shares which have been provisionally allotted in respect of the Shares in which you are beneficially interested.

Such instructions and/or arrangements should be given or made in advance of the relevant dates stated in the section headed “Expected Timetable of the Rights Issue” and otherwise in accordance with the requirements of your Intermediary in order to allow your Intermediary sufficient time to ensure that your instructions are given effect. The procedure for acceptance, transfer and/or “splitting” by CCASS Participants of the Rights Shares provisionally allotted to CCASS stock accounts in respect of the Shares registered in the name of HKSCC Nominees Limited shall be in accordance with the “General Rules of CCASS”, the “CCASS Operational Procedures” and any other requirements of CCASS.

Beneficial Owners who are CCASS Investor Participants should contact CCASS and provide CCASS with instructions or make arrangements with CCASS in relation to the manner in which such

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Beneficial Owners' interests in Rights Shares should be dealt with. The procedures for acceptance, transfer and/or "splitting" of Rights Shares provisionally allotted to Beneficial Owners who have been admitted to participate in CCASS as CCASS Investor Participants shall be in accordance with "An Operating Guide for Investor Participants" and any other requirements of CCASS.

Important notice and representations and warranties relating to Beneficial Owners in the Specified Territories holding interests in Shares through CCASS

As described above, Beneficial Owners resident in any of the Specified Territories are only permitted to take up their rights under the Rights Issue if they fulfil relevant requirements to the satisfaction of the Company.

Any Beneficial Owner holding interests in Shares through CCASS and any CCASS Participant who instructs his/her/its Intermediary to make a valid acceptance and/or transfer in accordance with the procedures set out above represents and warrants to the Company that, except where proof has been provided to the satisfaction of the Company that his/her/its acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not accepting or requesting registration of the relevant Rights Shares in its nil-paid or fully paid form from within any of the Specified Territories; (ii) such person is not in any of the Specified Territories or in any territory in which it is otherwise unlawful to make or to accept an offer to acquire Rights Shares; (iii) such person is not acting on a non-discretionary basis for a person located within any of the Specified Territories at the time the instruction to accept was given; and (iv) such person is not acquiring the Rights Shares with a view to the offer, sale, resale, renouncement, transfer, delivery or distribution, directly or indirectly, of any such Rights Shares into any of the Specified Territories.

The Company may treat as invalid any instruction (a) which appears to the Company to have been despatched from any of the Specified Territories and which may involve a breach of the Laws of the relevant Specified Territories or any instruction which otherwise appears to the Company may involve a breach of the Laws of any jurisdiction; or (b) if the Company or its agents believes the same may violate any applicable legal or regulatory requirement; or (c) which purports to exclude the representation and/or warranty required by the paragraph immediately above.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties above.

Share certificates and refund cheques for Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on or before 18 February 2016 to those who have accepted and (where applicable) applied for, and paid for, the Rights Shares by ordinary post at their own risk. Applicant(s) will receive one share certificate for all Rights Shares allotted and issued to him/her/it.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before 18 February 2016 by ordinary post to the applicants at their own risk.

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Status of Rights Shares

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

Fractions of Rights Shares

The entitlement of Qualifying Shareholders will be rounded down to the nearest whole number. The Company will not provisionally allot and will not accept applications for any fractions of Rights Shares. All fractions of Rights Shares will be aggregated and all nil-paid Rights Shares arising from such aggregation will be sold in the market if a premium (net of expenses) can be obtained, and the Company will retain the proceeds for its own benefit. Any unsold fractions of Rights Shares will be available to meet excess application by the Qualifying Shareholders (other than the PRC Southbound Trading Investors).

Application for excess Rights Shares

Qualifying Shareholders (other than the PRC Southbound Trading Investors) may apply, by way of excess applications, for any unsold entitlements of the Non-Qualifying Shareholders (if any), any unsold Rights Shares created by adding together fractions of the Rights Shares, and any Rights Shares provisionally allotted but not accepted by Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares.

Action to be taken by Qualifying Shareholders (other than the PRC Southbound Trading Investors) who wish to apply for excess Rights Shares

Excess Rights Shares application procedures

Applications for excess Rights Shares may be made only by Qualifying Shareholders (other than the PRC Southbound Trading Investors) and only by completing an Excess Application Form and lodging the same with a separate remittance for the amount payable on application in respect of the excess Rights Shares being applied for at the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:00 p.m. on 5 February 2016. All remittances must be made in Hong Kong dollars and must be forwarded either by cheques drawn on an account with, or cashier's orders issued by, a licensed bank in Hong Kong and made payable to "China Hongqiao Group Ltd — EAF" and crossed "Account Payee Only".

A Provisional Allotment Letter can be lodged from 25 January 2016 to 4:00 p.m., 5 February 2016 (both days inclusive) at these times:

Monday to Friday: 9:00 a.m. to 4:30 p.m.; and

Acceptance Date (5 February 2016): 9:00 a.m. to 4:00 p.m.

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The Directors will allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis, according to the principle that any excess Rights Shares will be allocated to Qualifying Shareholders (other than the PRC Southbound Trading Investors) who apply for them on a pro rata basis by reference to the number of excess Rights Shares applied for but no reference will be made to Rights Shares comprised in acceptance by PAL or the existing number of Shares held by Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under PALs is greater than the aggregate number of excess Rights Shares applied for through EAFs, the Directors will allocate to each Qualifying Shareholder (other than the PRC Southbound Trading Investors) who applies for excess Rights Shares in full application. No preference will be given to topping up odd lots to whole board lots.

If no excess Rights Shares are allotted and issued to a Qualifying Shareholder (other than the PRC Southbound Trading Investors), the amount tendered on application is expected to be refunded to that Qualifying Shareholder in full without any interest by means of cheque(s) despatched by ordinary post and at the risk of such Shareholder on or before 18 February 2016. If the number of excess Rights Shares allotted and issued to a Qualifying Shareholder (other than the PRC Southbound Trading Investors) is less than that applied for, the surplus application monies are also expected to be refunded to such Shareholder without any interest by means of cheque(s) despatched by ordinary post and at the risk of such Shareholder on or before 18 February 2016.

If the Rights Issue does not proceed, the monies received in respect of relevant applications for excess Rights Shares will be refunded to the relevant persons without interest, by means of cheque(s) to be despatched by ordinary post at the risk of such persons on or before 18 February 2016.

All cheques or cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Any Excess Application Form in respect of which a cheque or cashier's order is dishonoured on first presentation is liable to be rejected. Completion and return of an Excess Application Form together with a cheque or cashier's order in payment of the excess Rights Shares will constitute a warranty by the applicant(s) that the cheque or cashier's order will be honoured on first presentation. The Excess Application Form is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including cheques or cashier's orders for amounts due, will be sent at the risk of the persons entitled thereto to their registered addresses by the Registrar. The Company may, at its discretion, treat an Excess Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

Important notice and representations and warranties relating to Qualifying Shareholders in the Specified Territories

Please note that the paragraphs under the heading "Important notice and representations and warranties relating to Qualifying Shareholders in the Specified Territories" in the section headed "Procedures for acceptance or transfer of Rights Shares by Qualifying Shareholders" also applies to applications for excess Rights Shares, with appropriate changes to reflect that the context is an application for excess Rights Shares.

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Action to be taken by Beneficial Owners whose Shares are held by a Registered Owner (other than Shares deposited in CCASS) who wish to apply for excess Rights Shares

Excess Rights Shares application procedures

If you are a Beneficial Owner whose Shares are registered in the name of a Registered Owner and you wish to apply for excess Rights Shares, you should contact the Registered Owner and provide the Registered Owner with instructions or make arrangements with the Registered Owner in relation to such application. Such instructions and/or arrangements should be given or made in advance of the latest time for application and payment for excess Rights Shares stated in the section headed “Expected Timetable of the Rights Issue” and otherwise in accordance with the requirements of the Registered Owner, in order to allow the Registered Owner sufficient time to ensure that your instructions are given effect.

Important notice and representations and warranties relating to Beneficial Owners in the Specified Territories whose Shares are held by a Registered Owner (other than HKSCC Nominees Limited) in relation to the Specified Territories

Please note that the contents of the paragraphs under the heading “Important notice and representations and warranties relating to Beneficial Owners in the Specified Territories whose Shares are held by a Registered Owner (other than HKSCC Nominees Limited)” in the section headed “Procedures for acceptance or transfer of Rights Shares by Qualifying Shareholders” also apply to applications for excess Rights Shares, with appropriate changes to reflect that the context is an application for excess Rights Shares.

Action to be taken by Beneficial Owners holding interest in Shares through CCASS who wish to apply for excess Rights Shares

Excess Rights Shares application procedures

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, and you wish to apply for excess Rights Shares, you should (unless you are a CCASS Investor Participant) contact your Intermediary and provide your Intermediary with instructions or make arrangements with your Intermediary in relation to the application for excess Rights Shares. Such instructions and/or arrangements should be given or made in advance of the date stated in the section headed “Expected Timetable of the Rights Issue” as the latest time for application and payment for excess Rights Shares and otherwise in accordance with the requirements of your Intermediary, in order to allow your Intermediary sufficient time to ensure that your instructions are given effect.

Beneficial Owners who are CCASS Participants should contact CCASS and provide CCASS with instructions or make arrangements with CCASS in relation to any applications for excess Rights Shares. HKSCC Nominees Limited will allocate the excess Rights Shares it receives to the relevant CCASS Participants pro rata to the number of excess Rights Shares each has applied for, or in such

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other manner as HKSCC Nominees Limited considers fair and appropriate which is pursuant to the allocation basis stipulated in Rule 8.10.4(ix) of the CCASS Operational Procedures. The procedures for application for excess Rights Shares shall be in accordance with the “General Rules of CCASS”, the “CCASS Operational Procedures” and any other requirements of CCASS.

For the avoidance of doubt, ChinaClear, a CCASS Participant, will not support applications by the PRC Southbound Trading Investors for excess Rights Shares under the Rights Issue through Southbound Trading Link.

Important notice and representations and warranties relating to Beneficial Owners in the Specified Territories holding interests in Shares through CCASS

Please note that the contents of the paragraphs under the heading “Important notice and representations and warranties relating to Beneficial Owners in the Specified Territories holding interests in Shares through CCASS” in the section headed “Procedures for acceptance or transfer of Rights Shares by Qualifying Shareholders” also apply to applications for excess Rights Shares, with appropriate changes to reflect that the context is an application for excess Rights Shares.

Important notice to Beneficial Owners

Beneficial Owners with their Shares held by a Registered Owner, or which are held in CCASS, should note that the Registered Owner (including HKSCC Nominees Limited) is registered as a single Shareholder according to the Register of Members. Accordingly, Beneficial Owners whose Shares are registered in the name of a Registered Owner, or which are held in CCASS, should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to them individually.

Application for listing and dealings of the Rights Shares

Application has been made to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares (subject to allotment) in both nil-paid and fully-paid forms. Dealings in the Rights Shares in both nil-paid and fully-paid form will be subject to the payment of stamp duty, Stock Exchange trading fee, Securities and Futures Commission transaction levy or any other applicable fees and charges in Hong Kong. It is expected that dealings in the Rights Shares in their nil-paid form will take place from 26 January 2016 to 2 February 2016, both days inclusive. No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought is listed or dealt in or on any other stock exchange. The board lot size of nil-paid Rights Shares shall have the same board lot size as the existing Shares (i.e. 500 Shares in one board lot).

Rights Shares will be eligible for admission into CCASS

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms will be accepted as

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eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Rights Shares on the Stock Exchange or such other date 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 the “CCASS Operational Procedures” in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Odd lot arrangement

In order to alleviate the difficulties arising from the existence of odd lots of Shares arising from the Rights Issue, the Company has appointed RHB Securities Hong Kong Limited to provide matching service for sale and purchase of odd lots of Shares at the relevant market price per Share, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Shares to make up a full board lot, or to dispose of their holding of odd lots of the Shares. Shareholders who wish to utilise the service should contact Amy Wu at (852) 2103 9253, 12/F World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong during the period from Friday, 19 February 2016 to Wednesday, 9 March 2016, both days inclusive.

Holders of odd lots of the Shares should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. If you are in any doubt as to the above arrangements, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

Taxation

Qualifying Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of holding the receipt, purchasing, holding, exercising, disposing of or dealing in the Rights Shares in both nil-paid and fully-paid forms and, as regards the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the Rights Shares in nil-paid form on their behalf.

It is emphasised that none of the Company, the Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of holders of the shares resulting from the receipt, purchasing, holding, exercising, disposing of, or dealing in the Rights Shares in both nil-paid and fully-paid forms.

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UNDERWRITING ARRANGEMENTS FOR THE RIGHTS ISSUE

Principal terms of the Underwriting Agreement

Pursuant to the conditions set out in the Underwriting Agreement, the Underwriters have conditionally agreed to fully underwrite the Underwritten Shares on a several basis (and not joint or joint and several basis).

Date:	8 January 2016
Parties:	(i) the Company; and (ii) the Underwriters
Number of Rights Shares underwritten:	Underwritten Shares Hongqiao Holdings has agreed to underwrite at least 99% of the Remaining Shares, with the balance to be underwritten by CMBI, based on commercial negotiation between Hongqiao Holdings and CMBI
Underwriters' commission:	The Underwriters will not charge any underwriting commission of the Underwritten Shares for which the Underwriters have agreed to subscribe or procure Subscription

As at the Latest Practicable Date, Hongqiao Holdings is interested in 5,000,000,000 Shares, representing approximately 78.51% of the total number of the Company's Shares in issue. Hongqiao Holdings is a connected person of the Company within the meaning of Rule 14A.07 of the Listing Rules. The transaction of Hongqiao Holdings acting as an underwriter for an issue of securities by the Company is exempt from the requirements of reporting, announcement and independent shareholders' approval pursuant to Rule 14A.92(2)(b) of the Listing Rules. It is not in the ordinary course of business of Hongqiao Holdings to underwrite shares. In addition, Hongqiao Holdings is beneficially owned by Mr. Zhang Shiping. As Mr. Zhang Shiping has a material interest in the Underwriting Agreement by virtue of his interest in Hongqiao Holdings, he and his spouse, Ms. Zheng Shuliang, who is also an executive Director, have abstained from voting on the board resolution approving the Underwriting Agreement.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, CMBI and its ultimate holding company are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

The Directors consider that the Underwriting Agreement is (i) on normal commercial terms; and (ii) fair and reasonable so far as the Shareholders are concerned.

Given that Hongqiao Holdings (being one of the Underwriters) is a connected person of the Company under the Listing Rules, the Shares held by it and certain Directors of the Company will not be regarded as part of the public float for the purposes of the Company's compliance with the minimum public float requirement under Rule 8.08 of the Listing Rules.

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Conditions of the Rights Issue and the Underwriting Agreement

The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated. The obligations of the Underwriters to underwrite the Rights Issue are conditional upon fulfilment of the following conditions:

- (a) the release of the Announcement in Hong Kong within one Business Day from the date of the Underwriting Agreement;
- (b) the delivery to the Stock Exchange for authorisation and registration with the Registrar of Companies respectively two copies of each of the Prospectus, Provisional Allotment Letter and Excess Application Form duly certified by one Director (or by their agents duly authorised in writing) as having been approved by a resolution of the Board or the duly authorised committee of the Board (and with all other documents required to be attached thereto under the Companies (Winding Up and Miscellaneous Provisions) Ordinance) and the Registrar of Companies registering the Prospectus not later than the Prospectus Posting Date and otherwise in compliance with the Listing Rules, the Companies Ordinance and the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (c) the registration and filing of the Prospectus Documents with the Registrar of Companies;
- (d) the posting of the relevant Prospectus Documents to the Qualifying Shareholders and (subject to the restrictions, if any, under the relevant overseas laws and regulations) the posting of the Prospectus stamped “For Information Only” to the Non-Qualifying Shareholders, if applicable, and in each case, on the Prospectus Posting Date, provided, however, that the Prospectus shall not be despatched to Non-Qualifying Shareholders who have registered addresses, or whom the Company knows to be residents, in the United States;
- (e) the Underwriters receiving from the Company all conditions precedent documents as set out in the Underwriting Agreement in accordance with the times specified therein;
- (f) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms, before 8:00 a.m. on Tuesday, 26 January 2016 and Friday, 19 February 2016, being the expected date of commencement of dealings in the nil-paid Rights Shares and fully-paid Rights Shares respectively (or such other date as may be agreed between the Company and the Underwriters), and such approval and permission not being revoked prior to the Latest Time for Termination;
- (g) each condition to enable the nil-paid Rights and the fully paid Rights Shares to be admitted as eligible securities for deposit, clearance and settlement in CCASS having been satisfied not later than the Business Day prior to the first day of dealings in nil-paid Rights or the fully paid Rights Shares (as the case may be) as set out in the Prospectus and no notification having been received by the Company from HKSCC by such date that such admission or facility for holding and settlement has been or is to be refused;

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- (h) fulfilment by Hongqiao Holdings with all of its obligations under the deed of irrevocable undertaking given by Hongqiao Holdings;
- (i) the Shares remaining listed on the Stock Exchange at all times up to and including the Latest Time for Termination and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than ten trading days (other than any suspension pending clearance of the Announcement) and no indication being received before the Latest Time for Termination from the Stock Exchange to the effect that such approval for listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of the Underwriting Agreement or for any other reason; and
- (j) obligations of the Underwriters under the Underwriting Agreement not being terminated by the Underwriters in accordance with termination clause of the Underwriting Agreement.

If any of the above conditions is not fulfilled and/or waived in whole or in part by the Underwriters at or before the Latest Time for Termination (or such later time and/or date as the Company and the Underwriters may agree), the Underwriting Agreement, save in respect of the surviving clauses, shall terminate and the obligations of the parties shall immediately cease and be null and void and none of the parties shall, save in respect of the surviving clauses and any right or liability accrued before such termination, have any right against or liability towards any of the other parties arising out of or in connection with the Underwriting Agreement.

Termination of the Underwriting Agreement

The Underwriting Agreement contains provisions granting the Underwriters, by notice to the Company and Hongqiao Holdings, the right to terminate the Underwriting Agreement on the occurrence of following events:

If, at any time prior to the Latest Time for Termination:

- (a) there shall develop, occur, exist or come into effect:
 - (i) any new Laws or any change in existing Laws or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or the PRC; or
 - (ii) any local, national or international event or change (whether or not foregoing part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic, fiscal, industrial, legal, regulatory, currency or market conditions or other nature (whether or not ejusdem 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 affecting local securities markets; or
 - (iii) any change, or any development involving a prospective change, or any event or circumstance likely to result in a change, in or affecting the assets, liabilities, business, general affairs, management, shareholders' equity, profits, losses, results of operations, financial position or condition, or performance of the Company and the other members of the Group, taken as a whole; or

LETTER FROM THE BOARD

- (iv) any event or circumstance in the nature of force majeure (including, without limitation, any act of government, economic sanctions, strike or lock-out (whether or not covered by insurance), riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of emergency or calamity or crisis; or
- (v) a general moratorium on commercial banking activities declared by relevant authorities in Hong Kong, the PRC, the United States or the European Union (as a whole) or a material disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in Hong Kong, the PRC, the United States or the European Union (as a whole); or
- (vi) any change, or any development involving a prospective change, or any event or circumstance likely to result in a change, in or affecting any Taxation, exchange controls or currency exchange rates in Hong Kong, the PRC, the United States or the European Union (as a whole); or
- (vii) any suspension of dealings in the Shares for a period of more than ten consecutive Business Days (other than as a result of announcing the Rights Issue) during the period from the date of the Underwriting Agreement to the Latest Time for Termination; or
- (viii) an authority or a political body or organization in any relevant jurisdiction commencing any investigation in respect of any serious or indictable offence against any Director of the Company, rendering such Director disqualified to perform his or her duties as a Director of the Company;

which, in the sole and absolute opinion of the Underwriters:

- (1) has or will have or is likely to have a material adverse effect on the business or financial or trading position of the Group or the Rights Issue; or
 - (2) has or will have or is likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares taken up; or
 - (3) makes it inadvisable or inexpedient for the Company to proceed with the Rights Issue; or
- (b) there comes to the notice of the Underwriters:
- (i) any matter or event showing any of the warranties was, when given, untrue or misleading or as having been breached in any material respect; or
 - (ii) any material breach by the Company of the Underwriting Agreement, or any material breach by Hongqiao Holdings of the deed of irrevocable undertaking given by Hongqiao Holdings or their respective obligations contained therein; or

LETTER FROM THE BOARD

- (iii) there is any event or matter or any other reason which would or may result in Hongqiao Holdings not having sufficient financial resources to discharge all of its obligations under the Underwriting Agreement and the deed of irrevocable undertaking given by Hongqiao Holdings; or
- (iv) there is any event or change or any other reason which would or may result in that a supplemental prospectus is or will be or is required to be issued, whether required by the Stock Exchange or not,

then and in any such case the Underwriters may (except in respect of (b)(iii) above only, CMBI may act solely), upon giving notice to the Company and Hongqiao Holdings (where applicable), terminate the Underwriting Agreement with immediate effect.

In the event any of the Underwriters exercise its right to terminate the Underwriting Agreement prior to the Latest Time for Termination, the obligations of all parties thereunder shall terminate forthwith (save in respect of certain rights or obligations under the Underwriting Agreement) and no party will have any claim against any other for costs, damages, compensation or otherwise provided that such termination shall be without prejudice to the rights of the Company and the Underwriters in respect of any breach of the Underwriting Agreement occurring prior to such termination.

If any of the Underwriters exercise such rights, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed. Further announcement will be made by the Company if the Underwriting Agreement is terminated by any of the Underwriters.

Lock-up undertakings

The Company has undertaken to the Underwriters that, without the prior written consent of the Underwriters, the Company shall not, except for certain circumstances, at any time during the period commencing on the date of the Underwriting Agreement and ending on, and including, the date which is 45 days after the first day of trading of the Rights Shares in fully-paid form on the Stock Exchange:

- (i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, hedge, lend, grant or sell any option, warrant, contract or right to allot, issue, sell, subscribe for, or otherwise create an encumbrance over, or contract or agree to create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or any other securities of the Company, or any interest in any of the foregoing, or deposit Shares with a depository in connection with the issue of depository receipts; or
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares or any other securities of the Company, or any interest in any of the foregoing; or
- (iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above; or

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- (iv) offer to or agree to or announce any intention to effect any transaction specified in (i),(ii) or (iii) above.

Irrevocable undertakings by Hongqiao Holdings

Hongqiao Holdings has irrevocably undertaken to the Company and CMBI, among others, that (i) it will accept all the Rights Shares to be provisionally allotted to it or its nominee; (ii) it shall not, and shall procure that companies controlled by it (whether directly or indirectly) not to, dispose of or transfer the Rights Shares to be provisionally allotted to it or its nominee; (iii) shall not dispose of or transfer its beneficial interests in any of the Shares owned by it or otherwise deal in or acquire any interests in the Shares or interests therein before the Record Date; and (iv) shall not apply for additional Rights Shares.

Save for the undertaking from Hongqiao Holdings, the Company has not obtained undertakings from any other Shareholders that they will subscribe for any or all of the Rights Shares to be provisionally allotted to them.

WARNING OF THE RISKS OF DEALING IN SHARES AND NIL-PAID RIGHTS SHARES

The Shares are expected to be dealt in on an ex-rights basis from 14 January 2016. Dealings in the Rights Shares in nil-paid form are expected to take place from 26 January 2016 to 2 February 2016 (both days inclusive). The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional. If the conditions of the Rights Issue are not fulfilled or waived, or if any of the Underwriters terminates the Underwriting Agreement, the Rights Issue will not proceed, in which case a further announcement will be made by the Company at the relevant time.

Any Shareholders or other persons contemplating selling or purchasing Shares and/or Rights Shares in their nil-paid form are advised to exercise caution when dealing in the Shares and/or Rights Shares. Any person who is in any doubt about his/her/its position is recommended to consult his/her/its own professional adviser. Any Shareholder or other person dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriters' right of termination of the Underwriting Agreement ceases) and any person dealing in the nil-paid Rights Shares during the period from 26 January 2016 to 2 February 2016 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

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

The Board considers that it is an opportune moment for the Company to strengthen its financial position and lower financial expenses through the Rights Issue after having considered various fund raising methods, such as issuing of convertible bonds or placing of new shares. The issue of convertible bonds will increase debt of the Group while the placing of new shares under the recent Share price is not in the interest of the Shareholders as a whole and will dilute their shareholdings in the Company. The Board considers that it is prudent to support the continuing development of the Group's business activities by way of the Rights Issue which will not only strengthen the Group's working capital base and repay the loans, but also provide all Qualifying Shareholders the opportunity

LETTER FROM THE BOARD

to participate in the future business development of the Group through the Rights Issue at the Subscription Price same as the closing price of HK\$4.31 per Share as quoted on the Stock Exchange on the Last Trading Day. In addition, Hongqiao Holdings' acting as an underwriter to this Rights Issue fully signifies its strong support to the Company as the major Shareholder and its full confidence in the development prospect of the Company. As disclosed in the interim report of the Company for the first half of 2015, for the six months ended 30 June 2015, the capital expenditure of the Group amounted to approximately RMB9,941,726,000 and the Group had a capital commitment of approximately RMB24,465,515,000. As at 31 December 2015, based on the management account of the Company, the capital commitment of the Group was over RMB10,000,000,000. Based on the Company's operation needs, the Company intends to raise around HK\$ 4 billion through the Rights Issue and with reference to the closing price as at the date of the Announcement, the Rights Issue ratio was set on such basis and the Company is of the view that the Right Issue is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The estimated gross proceeds of the Rights Issue will be approximately HK\$3,842,581,000.

As at 30 November 2015, the Group had cash and cash equivalent of approximately RMB8,207,418,000 and would be mainly used for the operation of the Group, repayment of debts due and part of capital expenses. The net proceeds of the Rights Issue are estimated to be approximately HK\$3,829,102,000 after the deduction of all estimated expenses. 80% of the net proceeds are intended to be used as working capital of the Group, primarily for procurement of raw materials. The Group intends to use approximately HK\$ 2,100,000,000 for the procurement of alumina, approximately HK\$ 500,000,000 for the procurement of coal and HK\$ 400,000,000 for the procurement of bauxite in the first half of 2016. 20% of the net proceeds are intended to be used to repay certain loans of the Group. The Group intend to use the 20% of the net proceeds to repay a loan with principal of RMB 1,000,000,000 which will become due on 23 March 2016.

The estimated expenses of the Rights Issue (including the underwriting commission, financial advisory fees, printing, registration, translation, legal and accounting charges and other related expenses) amount to approximately HK\$13,479,000 and will be borne by the Company. The net subscription price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares is expected to be approximately HK\$4.29.

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EFFECT OF RIGHTS ISSUE ON SHAREHOLDINGS IN THE COMPANY

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and immediately after completion of the Rights Issue assuming that there is no change in the shareholding structure of the Company from the Latest Practicable Date to immediately before completion of the Rights Issue:

	Immediately after completion of Rights Issue (assuming none of the Rights Shares are subscribed by the Qualifying Shareholders (except for Hongqiao Holdings))					
	Immediately before completion of Rights Issue		(assuming all Rights Shares are subscribed by the Qualifying Shareholders)		Qualifying Shareholders (except for Hongqiao Holdings))	
	<i>No. of Shares</i>	<i>Approximate (%)</i>	<i>No. of Shares</i>	<i>Approximate (%)</i>	<i>No. of Shares</i>	<i>Approximate (%)</i>
Hongqiao Holdings	5,000,000,000	78.51	5,700,000,000	78.51	5,889,634,711	81.12
CMBI	—	—	—	—	1,915,502	0.03
Public Shareholders	1,368,215,810	21.49	1,559,766,023	21.49	1,368,215,810	18.85
Total:	6,368,215,810	100	7,259,766,023	100	7,259,766,023	100

Notes:

- (1) As at the Latest Practicable Date, the Company has 6,368,215,810 Shares in issue.
- (2) The figures assume that all Shareholders are Qualifying Shareholders.
- (3) The figures assume that CMBI underwrites 1% of the Remaining Shares.

EQUITY FUND RAISING BY THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not raised any funds on any issue of equity securities in the 12 months preceding the Latest Practicable Date.

INFORMATION OF THE GROUP

The Group is principally engaged in the manufacture and sales of aluminum products.

GENERAL

On the basis that the Rights Issue is being offered to Shareholders (excluding, for these purposes, Non-Qualifying Shareholders) pro rata to their existing shareholdings (apart from fractional entitlements to Rights Shares), in accordance with Listing Rule 13.36(2), there is no requirement for the Directors to issue the Rights Shares pursuant to the 2015 General Mandate.

LETTER FROM THE BOARD

As the proposed Rights Issue will not increase the number of the issued Shares or the market capitalization of the Company by more than 50%, or otherwise fall under any scenarios contemplated under Rule 7.19(6) of the Listing Rules, the Rights Issue is not subject to the approval of the Shareholders in a general meeting.

ADDITIONAL INFORMATION

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

By Order of the Board
China Hongqiao Group Limited
Zhang Shiping
Chairman

1. SUMMARY OF FINANCIAL RESULTS

Financial information of the Group for the years ended 31 December 2012, 31 December 2013 and 31 December 2014, including the notes thereto, have been published in the annual reports of the Company for the years ended 31 December 2012 (pages 39 to 92), 31 December 2013 (pages 39 to 94) and 31 December 2014 (pages 42 to 106) respectively, which are incorporated by reference into this Prospectus. These financial information was audited by our predecessor auditors, which was replaced by Ernst & Young on 12 June 2015. For more details, please refer to our announcement published on 12 June 2015 relating to our change of auditor. The announcement and the annual reports can be accessed on the website of the Company (www.hongqiaochina.com) and the website of the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2015 published by the Company can be accessed on the website of the Company (www.hongqiaochina.com) and the website of the Stock Exchange (www.hkexnews.hk).

2. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the financial resources available to the Group including the estimated net proceeds from the Rights Issue, the available banking facilities and the Group's internally generated funds, the Group has sufficient working capital to satisfy its requirements for at least the next 12 months following the date of this Prospectus.

3. INDEBTEDNESS STATEMENT

At the close of business on 30 November 2015, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining information contained in this indebtedness statement, the Group had an aggregate outstanding indebtedness of approximately RMB54,005,383,000, which was comprised of:

As at 30 November 2015
RMB'000

Interest-bearing bank and other borrowings:	
Bank loans	
Unsecured bank borrowings	13,504,419
Unsecured syndicated loans	9,948,624
Other borrowings	75,000
Total interest-bearing bank and other borrowings	23,528,043
Short-term debentures	13,000,000
Medium-term debentures and bonds	13,000,000
Guaranteed notes	4,477,340
Total	54,005,383

As at 30 November 2015

RMB'000

Repayable:	
Within one year	25,232,048
In the second year	8,198,503
In the third to fifth years, inclusive	17,274,832
Over five years	3,300,000
Total	54,005,383

Bank borrowings

As of 30 November 2015, the Group had outstanding borrowings of approximately RMB23,453,043,000, among which RMB1,418,118,000 is unsecured and guaranteed.

Other borrowings

As of 30 November 2015, the Company's subsidiary, Shandong Weiqiao Alumina & Power Ltd. ("Alumina & Power") pledged certain equipment to secure other borrowings of the Group with carrying amount amounting to RMB75,000,000 (30 June 2015: RMB175,000,000). And, during the five months ended 30 November 2015, the Group has repaid the other borrowings amounting to RMB100,000,000 (six months ended 30 June 2015: RMB60,000,000). The secured other borrowings was lent by RBS Leasing (China) Co., Ltd, an independent third party, for three years tenor with repayment in 12 installments and interest bearing at the PBOC benchmark rate plus 2% per annum. Alumina & Power has the right to purchase the pledged equipment after 3 years from RBS Leasing (China) Co., Ltd with nominal consideration of RMB1.

Pledge of assets and guarantee

As of 30 November 2015, secured borrowings of the Group were secured by equipment with an aggregate carrying amount of RMB329,879,000.

As of 30 November 2015, unsecured borrowings of RMB968,118,000 and RMB450,000,000 of the Group were guaranteed by non-controlling shareholders and a related party, respectively.

Contingent liabilities

As of 30 November 2015, the Group did not have any contingent liabilities.

Save as aforesaid or as otherwise disclosed herein, at the close of business on 30 November 2015, the Group did not have any loan capital issued or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade payables) or acceptance credits, debentures, mortgages, charges, financial lease, hire purchases commitments, guarantees or other material contingent liabilities.

4. FINANCIAL AND TRADING PROSPECT OF THE GROUP

Looking ahead, the Group will adhere to its strategy of steady development by relying on its advantage of industry clusters brought by “Integration of Aluminum, Electricity and Grid” and the “Integration of Upstream and Downstream Business” and expediting the enhancement of cost advantage and economies of scale, so as to consolidate its leading position in China’s aluminum industry. At the same time, the Group will further increase its investments in technological innovation and environmental protection, and strive for progress and breakthroughs in raw material supply, technology upgrade and energy saving.

For “Integration of Aluminum, Electricity and Grid”, the Group successfully established the world’s first full series 600KA aluminum product line, making a major breakthrough in saving power consumption during the year. Being the industry leader, the Group will put greater efforts into technological innovations, upgrade of production equipment and environment protection. During the Period, the new generators with aggregate installed capacity of 1,380MW caused the Group’s ratio of self-supplied electricity to further increase to approximately 80.7%. The Group will continue to expand the size of its self-owned power plants and raise its ratio of self-supplied electricity, in order to further control its production costs and enhance its market competitiveness, with the aim of reaching a ratio of self-supplied electricity of 100%.

In terms of “Integration of Upstream and Downstream Businesses”, the Group was able to expand its channels of raw material supply. The Group made substantive progress in the joint development of a bauxite mine in Guinea, Africa with other partners. Its mining will be conducive to steady raw material procurement and cost control and will also help lower potential risks caused by the fluctuations in the price and supply of raw materials. The Group will continue making active efforts to stabilize the supply of raw materials of the Group. On the other hand, the Group will also continue to extend its downstream industry chain to create diversified income stream, and will improve its aluminum processing capability to consolidate its strengths and increase core competitiveness, which will in turn help the Group to realize long-term economic benefits.

In the face of ever-changing market environment, the Company will actively implement its long-term development strategies to cope with market demand and changes in time. While striving to maintain steady growth, the Group will thoroughly consider the market situation to lay a steady foundation for future development and endeavour to achieve sustainable development, with the goal of becoming a large-scale comprehensive aluminum product manufacturer with leading cost advantage and a vertically integrated industry chain.

APPENDIX II UNAUDITED PRO FORMA INFORMATION OF THE GROUP

For illustrative purposes, the financial information prepared in accordance with paragraph 4.29 of the Listing Rules is set out here to provide prospective investors with further information about how the financial information of the Group might be affected by completion of the Rights Issue as if the Rights Issue had been completed on 30 June 2015. The statement has been prepared for illustrative purposes only and because of its nature, it may not give a true picture of the Group's financial condition on the completion of the Rights Issue.

(A) UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following is an illustrative and unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company which has been prepared on the basis of the notes set out below, for the purpose of illustrating the effect of the Rights Issue as if it had taken place on 30 June 2015. This unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only, and because of its hypothetical nature, may not give a true picture of the financial position of the Group had the Rights Issue been completed as at 30 June 2015 or at any future date.

Adjusted unaudited consolidated net tangible assets attributable to owners of the Company as at 30 June 2015 <i>RMB'million</i> <i>Note 1</i>	Estimated net proceeds from the Rights Issue <i>RMB'million</i> <i>Note 2</i>	Unaudited Pro forma adjusted consolidated net tangible assets attributable to owners of the Company after the completion of the Rights Issue <i>RMB'million</i>	Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company after completion of the Rights Issue <i>RMB</i> <i>HK\$</i> <i>Note 3</i> <i>Note 4</i>				
Based on 891,550,213 Rights Shares at a subscription price of HK\$4.31 per Rights Share			34,466.1	3,158.6	37,624.7	5.18	6.28

APPENDIX II UNAUDITED PRO FORMA INFORMATION OF THE GROUP

Note:

- (1) The adjusted unaudited consolidated net tangible assets attributable to owners of the Company as of 30 June 2015, was determined as follows:

	<i>RMB'million</i>
Unaudited consolidated equity attributable to owners of the Company *	34,546.5
Less: Goodwill *	<u>80.4</u>
Adjusted unaudited consolidated net tangible assets attributable to owners of the Company	<u><u>34,466.1</u></u>

** Extracted from the published interim report of the Group for the six months ended 30 June 2015.*

- (2) The estimated net proceeds from the Rights Issue which are based on 891,550,213 Rights Shares to be issued (in the proportion of 7 Rights Shares for every 50 Shares held as at the Record Date) at the subscription price of HK\$4.31 per Rights Share after deduction of the estimated related expenses of approximately HK\$13.5 million. The estimated net proceeds from the Rights Issue are converted from Hong Kong dollars into Renminbi at an exchange rate of HK\$1.00 to RMB0.8249.
- (3) The unaudited pro forma adjusted consolidated net tangible assets per share are determined after the adjustments as described in note 2 above and on the basis that 891,550,213 Rights Shares were in issue assuming the Rights Issue had been completed on 30 June 2015.
- (4) The translation of Renminbi into Hong Kong dollars has been made at the rate of HK\$1.00 to RMB0.8249. No representation is made that the Hong Kong dollar amounts have been, could have been or could be converted to Renminbi, or vice versa, at that rate or at any other rates or at all.

APPENDIX II UNAUDITED PRO FORMA INFORMATION OF THE GROUP

(B) ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following is the text of a report received from the reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the Group for the purpose of incorporation in this Prospectus.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION



Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

安永會計師事務所
香港中環添美道1號
中信大廈22樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
www.ey.com

22 January 2016

To the Directors of China Hongqiao Group Limited:

We have completed our assurance engagement to report on the compilation of pro forma financial information of China Hongqiao Group Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) by the directors of the Company (the “Directors”) for illustrative purposes only. The pro forma financial information consists of the pro forma consolidated net tangible assets as at 30 June 2015 and related notes as set out in Appendix II(A) of the Prospectus issued by the Company (the “Pro Forma Financial Information”). The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described in Appendix II(A) of the Prospectus.

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue of 891,550,213 Rights Shares in the capital of the Company on the Group’s financial position as at 30 June 2015 as if the transaction had taken place at 30 June 2015. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Company’s published interim report for the period ended 30 June 2015.

Directors’ responsibility 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” 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.

Our 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*, 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 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 AG7 issued by HKICPA.

For purposes 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 the Prospectus is solely to illustrate the impact of the rights issue of shares of the Company on unadjusted financial information of the Group as if 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 transaction 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 transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and

APPENDIX II UNAUDITED PRO FORMA INFORMATION OF THE GROUP

- 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' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the 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.

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 purpose of the Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Listing Rules for the purpose of giving information with regard to the Group. 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 herein or this Prospectus misleading.

2. SHARE CAPITAL

The authorised share capital of the Company is US\$100,000,000 divided into 10,000,000,000 shares of a nominal value or par value of US\$0.01 each.

(a) As at the Latest Practicable Date, the number of Shares of the Company in issue was as follows:

Type	Number	Status
Ordinary Shares	6,368,215,810	Issued and fully paid up

(b) The Shares of the Company in issue immediately following completion of the Rights Issue will be as follows (assuming no further issue and/or repurchase of Shares from the Latest Practicable Date to the completion of the Rights Issue):

Type	Number	Status
Ordinary Shares	6,368,215,810	Issued and fully paid up
Rights Shares	891,550,213	Issued and fully paid up
Total	7,259,766,023	

All the issued Shares rank *pari passu* with each other in all respects including the rights as to voting, dividends and return of capital. The Rights Shares to be issued and allotted will, when issued and fully paid, rank *pari passu* in all respects as to voting, dividends and return of capital with the existing Shares in issue and with each other on the date of allotment of the Rights Shares in fully-paid form.

As at the Latest Practicable Date, the Company does not have any share option scheme. The Company did not have any options and other convertible securities or rights affecting the Shares as at the Latest Practicable Date.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests and/or short positions of the Directors and chief executive of the Company in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required 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 are taken or deemed to have under such provisions of the SFO), or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange are as follows:

Long positions in the Shares and underlying Shares and debentures of the Company

Name of Director	Class of Shares	Type of interest	Number of Shares	Approximate percentage of Shares in issue (%)
Mr. ZHANG Shiping ⁽¹⁾	Ordinary	Interest of a controlled corporation	5,000,000,000	78.51
Ms. ZHENG Shuliang ⁽²⁾	Ordinary	Spouse	5,000,000,000	78.51
Mr. ZHANG Bo	Ordinary	Beneficial owner	8,870,000	0.14

Note (1): The interests of Mr. ZHANG Shiping in the Company were held through its wholly-owned investment company Hongqiao Holdings.

Note (2): Ms. ZHENG Shuliang, the spouse of Mr. ZHANG Shiping, is deemed to be interested in all the Shares of the Company in which Mr. ZHANG Shiping is interested

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company or any of their spouse or children under the age of 18 had or were deemed or taken to have an interest or short position in the Shares, underlying shares or debentures of the Company or any of its holding companies, subsidiaries or associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the Hong Kong Stock Exchange pursuant to section 352 of the SFO, or notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code. At no time was the Company or any of its holding companies or subsidiaries a party to any arrangement to enable the Directors or the chief executive of the Company (including their spouse or children under the age of 18) to acquire any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

4. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As at the Latest Practicable Date, so far as was known to the Directors, the persons or entities, other than a Director or chief executive of the Company, who had an interest or a short position in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Name of the substantial shareholder	Capacity	Long position/ short position	Number of Shares directly or indirectly held	Approximate percentage of Shares in issue (%)
Prosperity Eastern Limited (1)	Trustee	Long position	5,000,000,000	78.51
Hongqiao Holdings	Beneficial owner	Long position	5,000,000,000	78.51

Note (1): Prosperity Eastern Limited held these Shares as trustee on behalf of Mr. ZHANG Shiping.

Save as disclosed above, so far as was known to the Directors, as at the Latest Practicable Date, the Company has not been notified by any persons (other than a Director or chief executive of the Company) who had an interest or a short position in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

5. INTEREST OF DIRECTORS

As at the Latest Practicable Date:

- (i) none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2014 (being the date to which the latest audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and
- (ii) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which contract or arrangement is subsisting at the Latest Practicable Date and which is significant in relation to the business of the Group.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which was not determinable by the Group within one year without payment of compensation (other than statutory compensation).

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save as disclosed in the profit warning announcement made by the Company on 15 January 2016, the Directors were not aware of any material adverse changes in the financial or trading position of the Group since 31 December 2014, being the date to which the latest audited financial statements of the Group were made up.

8. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors nor their respective associates had an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group pursuant to the Listing Rules.

9. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries were involved in any pending or threatened litigation or claims which are or may be of material importance to the Group.

10. BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management together with their functions and relevant management expertise are set out below.

Executive Directors

Mr. Zhang Shiping, aged 69, was appointed the Chairman and an Executive Director of our Company on 16 January 2011. He is the founder of our Group and joined Shandong Weiqiao Aluminum and Power Co. Ltd. (山東魏橋鋁電有限公司) (“Aluminum & Power”) in December 2002 as a director. He has eight years’ experience in aluminum industry since the commencement of aluminum business in 2006. He is responsible for the overall strategic planning of our Group. He graduated from Anhui College of Finance and Trading (安徽財貿學院) and obtained a diploma in cotton testing in December 1991. He is recognized as a qualified senior economist by the Shandong Economic Professional and Technical Title Senior Evaluating Committee (山東省經濟專業職務高級評審委員會) in 1989. Mr. Zhang Shiping has been the director of Shandong Hongqiao New Material Co., Ltd (“Shandong Hongqiao”) since July 1994. He held the positions of general manager of Shandong Weiqiao Chuanye Group Company Limited (山東魏橋創業集團有限公司) (“Chuanye Group”) (including its predecessor) from March 1996 to April 1998, the Chairman of Weiqiao Textile Company Limited (魏橋紡織股份有限公司) (“Weiqiao Textile”) (stock code:2698.HK) (including its predecessor) from May 1998 to October 2000, a director of Binzhou Weiqiao Technology Industrial Park Company Limited (濱州魏橋科技工業園有限公司) (“Binzhou Industrial Park”) from November 2001 to May 2010 and Chairman of Binzhou Weiqiao Aluminum Technology Co., Ltd. (濱州魏橋鋁業科技有限公司) (“Aluminum Technology”) from December 2002 to September 2007. He is currently the chairman of Chuangye Group, a non-executive director of Weiqiao Textile, chairman of Shandong Weiqiao Investment Holding Limited (山東魏橋投資控股有限公司) (formerly named as Zouping Supply and Marketing Investment Co., Ltd (鄒平供銷投資有限公司)), Party Secretary of Zouping County Supply

and Marketing Cooperation Union (鄒平縣供銷合作社聯合社), chairman of Hongqiao Holdings and chairman of Weiqiao Pioneering (Hong Kong) Import & Export Company Limited. He was a deputy to the 9th, 10th and 12th National People's Congress and was selected by the State Council as "National Model Worker in 1995". He is the husband of Ms. Zheng Shuliang, the father of Mr. Zhang Bo and the father-in-law of Mr. Yang Congsen.

Ms. Zheng Shuliang, aged 69, was appointed the vice chairman and an executive Director of our Company on 16 January 2011. She joined our Group in July 2009 and has been a director and vice chairman of Shandong Hongqiao. She held the positions of the section chief, director of Metering Division of Raw Materials Purchase Department and deputy director of Raw Materials Supply Department of Chuangye Group (including its predecessor) from November 1996 to June 1999, director of Metering Department of Chuangye Group from June 1999 to June 2001. She is the wife of Mr. Zhang Shiping, the mother of Mr. Zhang Bo and the mother-in-law of Mr. Yang Congsen.

Mr. Zhang Bo, aged 46, was appointed an executive Director and chief executive officer of our Company on 16 January 2011. He graduated from Shandong Broadcast and Television University (山東廣播電視大學) majoring in financial accounting and obtained a bachelor's degree in economics in August 1996. He also obtained a master's degree in software engineering in Wuhan University (武漢大學) in June 2005. He joined our Group in 2006 and has been the general manager and the chairman of the board of directors of Aluminum & Power since November 2006. Mr. Zhang Bo has 7 years' experience in aluminum industry. He is familiar with the aluminum industry and has been equipped with the expertise in the aluminum industry. He is responsible for overseeing our Group's general operation, marketing and promotion for our Group. He has more than 15 years of management experience. He had also been the deputy general manager of Chuangye Group from April 1998 to February 1999, general manager, executive director, chairman of Weiqiao Textile (including its predecessor) from March 1999 to September 2006, a director of Weihai Weiqiao Textile Company Limited (威海魏橋紡織有限公司) ("Weihai Weiqiao") from July 2001 to May 2010 and the Chairman and general manager of Binzhou Industrial Park from November 2001 to May 2010. He is currently a director of Chuangye Group and a director of Hongqiao International Trading Limited (宏橋國際貿易有限公司) ("Hongqiao Trading") since April 2012. He is a deputy to the People's Congress of Shandong Province, and was selected by the State Council as "National Model Worker" in 2010. Mr. Zhang Shiping is his father and Ms. Zheng Shuliang is his mother, and Mr. Yang Congsen is his brother-in-law.

Non-executive Directors

Mr. Yang Congsen, aged 46, was appointed a non-executive Director of our Company on 16 January 2011. He graduated from Ocean University of Qingdao (青島海洋大學) and obtained a junior college diploma in international trade in July 1998. Mr. Yang obtained a master's degree of business administration from Dalian University of Technology (大連理工大學) in July 2006. He joined our Group in January 2007 and has over 13 years' management experience. He was responsible for the production and operation of the self-owned power plants of our Group and was also the deputy general manager of Aluminum & Power prior to the Listing. He held the positions of the Network Administrator of Human Resources Division of Chuangye Group (including its predecessor) from

October 1997 to December 1999, head of Thermal Power Plant of Chuangye Group from December 1999 to October 2003, and deputy general manager of Chuangye Group from January 2005 to June 2006. He is currently a director of Chuangye Group. He is the son-in-law of Mr. Zhang Shiping and Ms. Zheng Shuliang and the brother-in-law of Mr. Zhang Bo.

Mr. Zhang Jinglei, aged 39, was appointed a non-executive Director of our Company on 16 January 2011. He joined our Group in January 2011. He graduated from Xi'an Engineering College (西安工程學院) and obtained the junior college diploma in proximate analysis in July 1997. He joined Weiqiao Textile in October 1997, and worked in the sales department of Weiqiao Textile Company Limited (including its predecessor) from September 1998 to September 2000. He worked at the securities office, production technology section and the securities department of Weiqiao Textile from October 2000. He is currently an executive director and company secretary of Weiqiao Textile.

Independent non-executive Directors

Mr. Xing Jian, aged 66, was appointed an independent non-executive Director of our Company on 16 January 2011. He graduated from Correspondence Institute of the Party School of the Central Committee of C.P.C. (中共中央黨校函授學院) and obtained a university diploma in economics and management in December 1995. He held the positions of deputy secretary and secretary of Weiqiao Town of Zouping County from August 1982 to October 1985, deputy mayor of Zouping County from October 1985 to February 1987, deputy secretary and county mayor of Gaoqing County from February 1987 to January 1994, director and party secretary of Audit Bureau of Zibo City of Shandong Province from July 1994 to March 1999, deputy commissioner and party secretary of Special Commissioner Office of National Auditing Administration in Jinan from April 1999 to January 2001, deputy director of Head Office Service Bureau of National Auditing Administration from January 2001 to May 2002, director of Building Materials Auditing Bureau of National Auditing Administration from May 2002 to August 2008 and auditor of Social Insurance Auditing Bureau of National Auditing Administration from August 2008 to June 2009.

Mr. Chen Yinghai, aged 56, was appointed an independent non-executive Director of our Company on 16 January 2011. He graduated from the School of Textile Science and Technology of Beijing Union University (北京聯合大學紡織工程學院) majoring in wool spinning and weaving and obtained the bachelor degree in engineering in July 1987. He held the position of the deputy section head of China Non-cotton Yarns & Fabrics Import & Export Co. (中紡化纖毛麻進出口公司) from December 1990 to April 1991, employer of Chinatex Industry Co., Ltd (中紡實業有限公司) from May 1991 to November 1994, general manager of Chinatex Singapore Trading Co., Ltd (中紡新加坡貿易有限公司) from December 1994 to November 1997, general manager of Chinatex Cotton Yarns and Fabrics Import & Export Corp. (中紡紗布進出口公司) from March 1998 to December 2000, director of representative office of Chinatex in Shanghai (中國紡織品進出口總公司) from March 2003 to May 2004. He is currently an executive director of RFH Equities Co., Ltd (融豐行投資有限公司) since October 2001.

Mr. Han Benwen, aged 65, was appointed an independent non-executive Director of our Company on 16 January 2011. He graduated from Shandong University (山東大學) and obtained a certificate in foreign economy in May 1994. He is a certified public accountant recognized by the Shandong branch of the Chinese Institute of Certified Public Accountants (山東省註冊會計師協會)

and is a qualified middle level auditor. Mr. Han worked in Zouping County Audit Bureau (鄒平縣審計局) as a clerical officer from August 1985 to December 1999 and in Shandong Jianxin Certified Public Accountants Corporation (山東鑾鑫會計師事務所有限公司) (“Jianxin”, formerly known as Zouping Jianxin Certified Public Accountants Corporation) as an accountant from December 1999 to February 2007. He is currently working in Zouping Hongrui Accounting & Consulting Services Center (鄒平宏瑞會計諮詢服務中心) as an accountant since February 2007.

Senior management of the Company

Ms. Zhang Ruilian, aged 38, is the vice president and the chief financial officer of our Company. She joined our Group in June 2006 and has over 14 years’ accounting experience. She graduated from Shandong Economic Management School of Light Industry (山東省輕工業經濟管理學校) and obtained the diploma in accounting in July 1996. She held the positions of the manager of audit department of Chuangye Group from December 2005 to June 2006 and manager of accounting department of Aluminum & Power from June 2006 to July 2009. She is currently the manager of accounting department and the director (since December 2014) of Aluminum & Power, a manager of accounting department of Shandong Hongqiao and a director of Hongqiao Trading since April 2012.

Mr. Deng Wenqiang, aged 43, is the vice president of our Company. He graduated from Kunming University of Science and Technology (昆明理工大學) and obtained a bachelor’s degree in non-ferrous metal metallurgy in July 1995 and is a qualified engineer. Mr. Deng Wenqiang joined our Group in January 2003. He is responsible for the production, research and development of aluminum products of our Group. He previously held the positions of workshop director, vice factory director and factory director of Aluminum & Power from January 2003 to June 2006. He is currently the deputy general manager of Aluminum & Power and deputy general manager of Shandong Hongqiao, the executive director and manager of Huimin County Huihong New Aluminum Profiles Co., Ltd.(惠民縣滙宏新材料有限公司) and executive director and manager of Binzhou Beihai Huihong New Aluminum Profiles Co., Ltd.(濱州北海匯宏新材料有限公司). In 2000, he was awarded the first prize for his quality control achievements by Shandong Province Metallurgical Industry Corporation. In 2005, he was recognized as the Advanced Individual of Science and Technology Work by Shandong Province Metallurgical Industry Corporation. He was elected as the representative of the 15th People’s Congress of Zouping County and the 9th People’s Congress of Binzhou Municipality.

Company secretary

Ms. Zhang Yuexia, aged 40, was appointed the secretary of our Company on January 16, 2011. She graduated from Binzhou Normal Specialised Postsecondary College (濱州師範專科學校) majoring in foreign trade English, and obtained a junior college degree in July 1998. She has over 10 years’ accounting experience. She held the positions of the manager and section chief of accounting department of Chuangye Group from December 2001 to July 2009 and the deputy manager of the securities department of Weiqiao Textile Company Limited (魏橋紡織股份有限公司) (stock code: 2698) from March 2008 to January 2010. Ms. Zhang Yuexia had not served any position in our Group prior to January 16, 2011.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Name	Address	Citizenship
<i>Executive Directors</i>		
Mr. Zhang Shiping	A Villa, No. 41, Huixian One Road Zouping Economic Development District Zouping County, Binzhou City Shandong Province, the PRC	Chinese
Ms. Zheng Shuliang	A Villa, No. 41, Huixian One Road Zouping Economic Development District Zouping County, Binzhou City Shandong Province, the PRC	Chinese
Mr. Zhang Bo	Room 302, Unit 1, Building 2 Middle District No. 316, Huanghe Fifth Road Bincheng District, Binzhou City Shandong Province, the PRC	Chinese
<i>Non-executive Directors</i>		
Mr. Yang Congsen	B-8 Villa, No. 41, Huixian One Road Zouping Economic Development District Zouping County, Binzhou City Shandong Province, the PRC	Chinese
Mr. Zhang Jinglei	Room 401, Unit 1, Building 9 No. 41, Huixian One Road Zouping Economic Development District Zouping County, Binzhou City Shandong Province, the PRC	Chinese
<i>Independent Non-executive Directors</i>		
Mr. Xing Jian	Room 901, Unit 2, Building 8-11 Bingyaokou Hutong Xicheng District Beijing, the PRC	Chinese
Mr. Chen Yinghai	Room 2204, A Building 18, Third District Fang Cheng Yuan Fengtai District Beijing, the PRC	Chinese
Mr. Han Benwen	Room 202, Unit 3, Building 17 No. 10 Liquan Second Road Zouping County, Binzhou City Shandong Province, the PRC	Chinese

Registered office	Floor 4, Willow House Cricket Square, P O Box 2804 Grand Cayman KY1-1112 Cayman Islands
Place of business in Hong Kong	Suite 5108, The Center 99th Queen's Road Central Central Hong Kong
Head office in the PRC	Huixian One Road Zouping Economic Development District Zouping County Shandong Province The PRC
Principal office	43rd Floor, Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong
Company secretary	Ms. Zhang Yuexia
Authorised representatives	Mr. Zhang Bo; Ms. Zhang Yuexia
Principal bankers	Industrial and Commercial Bank of China Limited Binzhou Branch, Zouping Sub-branch No. 183, Huangshan Third Road Zouping County Shandong Province, the PRC Bank of Communications Ltd., Shandong Branch No. 98, Gongqingtuan Road, Jinan City Shandong Province, the PRC
Underwriters	CMB International Capital Limited Units 1803-4, 18F Bank of America Tower 12 Harcourt Road Central Hong Kong China Hongqiao Holdings Limited P.O. Box 957, Offshore Incorporations Centre Road Town, Tortola British Virgin Islands

Sole Global Coordinator, Sole Bookrunner and Financial Adviser to the Company	CMB International Capital Limited
Legal advisers to the Company	<i>As to Hong Kong Law</i> Orrick, Herrington & Sutcliffe 43rd Floor, Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong
Legal advisers to CMBI	<i>As to Hong Kong Law</i> Paul Hastings 21-22/F Bank of China Tower 1 Garden Road Central Hong Kong
Independent auditors and reporting accountants	Ernst & Young 22/F, CITIC Tower 1 Tim Mei Avenue Central, Hong Kong
Share registrar in Hong Kong	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
Receiving Bank	Wing Lung Bank, Limited 45 Des Voeux Road Central Hong Kong

12. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within two years immediately preceding the date of this Prospectus which are or may be material:

- (a) an underwriting agreement dated 23 January 2014 entered into between Shandong Hongqiao New Material Co., Ltd. (山東宏橋新型材料有限公司, "Shandong Hongqiao") and Bank of China Limited (中國銀行股份有限公司) ("BOC") in relation to the underwriting by BOC and certain other arrangements in respect of the private placement notes (定向工具) in an aggregate principal amount of no more than RMB3 billion registered by Shandong Hongqiao at the National Association of Financial Market Institutional Investors (中國銀行間市場交易商協會) (the "Association");

- (b) an underwriting agreement dated 3 April 2014 entered into between Shandong Hongqiao and China Merchants Bank Co., Ltd. (招商銀行股份有限公司) (“**CMB**”) in relation to the underwriting by CMB and certain other arrangements in respect of the short-term financing bonds (短期融資券) in an aggregate principal amount of no more than RMB3 billion registered by Shandong Hongqiao at the Association;
- (c) a purchase agreement dated 19 June 2014 entered into among the Company, China Hongqiao Investment Limited, Hongqiao Investment (Hong Kong) Limited, Hongqiao International Trading Limited, Deutsche Bank AG, Singapore Branch, Australia and New Zealand Banking Group Limited, Crédit Agricole Corporate and Investment Bank, Morgan Stanley & Co. International plc, Barclays Bank PLC and The Royal Bank of Scotland plc in connection with the issuance of US\$400,000,000 7.625% senior notes due 2017 by the Company;
- (d) a placing and subscription agreement dated 4 September 2014 entered into among the Company, Hongqiao Holdings, and Merrill Lynch Far East Limited, being the sole placing agent, pursuant to which Merrill Lynch Far East Limited agreed to place, and Hongqiao Holdings conditionally agreed to subscribe, and the Company agreed to allot and issue to Hongqiao Holdings, 275,880,000 shares held by Hongqiao Holdings to independent places at a placing price of HK\$6.19 per share on the terms and subject to the conditions set out in this placing and subscription agreement;
- (e) a purchase agreement dated 27 October 2014 entered into among the Company, China Hongqiao Investment Limited, Hongqiao Investment (Hong Kong) Limited, Hongqiao International Trading Limited, Deutsche Bank AG, Singapore Branch, Australia and New Zealand Banking Group Limited, Merrill Lynch International, BOCI Asia Limited and Morgan Stanley & Co. International plc in connection with the issuance of US\$300,000,000 6.875% senior notes due 2018 by the Company;
- (f) an equity acquisition agreement dated 22 December 2014 between Binzhou Municipal Zhengtong New Aluminum Profiles Co., Ltd. (濱州市政通新型鋁材有限公司, the “**Purchaser**”), an indirect wholly-owned subsidiary of the Company, and Shandong Binbei New Material Co., Ltd. (山東濱北新材料有限公司, the “**Vendor**”), pursuant to which the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the 100% equity interest in the Binzhou Municipal Binbei New Material Co., Ltd. (濱州市濱北新材料有限公司), at a consideration of RMB1,896,279,800;
- (g) an underwriting agreement dated 30 December 2014 entered into between Shandong Weiqiao Aluminum and Power Co., Ltd. (山東魏橋鋁電有限公司, “**Aluminum & Power**”) and GF Securities Co., Ltd. (廣發證券股份有限公司) (“**GF Securities**”) in relation to the underwriting by GF Securities and certain other arrangements in respect of the corporate bonds issued by Aluminum & Power in an aggregate principal amount of up to RMB2.6 billion (or such amount approved by the competent authorities);
- (h) an underwriting agreement dated 10 January 2015 entered into between Shandong Hongqiao and China Construction Bank Corporation (中國建設銀行股份有限公司) (“**CCB**”) in relation to the underwriting by CCB and certain other arrangements in respect of the medium term notes (中期票據) in an aggregate principal amount of up to RMB2.7 billion registered by Shandong Hongqiao at the Association;

- (i) an underwriting agreement dated 20 March 2015 entered into among Aluminum & Power, CCB, Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司), Bank of Communications Co., Ltd. (交通銀行股份有限公司), China Minsheng Banking Corp., Ltd. (中國民生銀行股份有限公司) (“**Minsheng Bank**”), and BOC in relation to the underwriting and certain other arrangements in respect of the super & short-term commercial paper (超短期融資券) in an aggregate principal amount of up to RMB12 billion, registered by Aluminum & Power at the Association;
- (j) an underwriting agreement dated 20 March 2015 entered into between Aluminum & Power and CMB in relation to the underwriting by CMB and certain other arrangements in respect of the short-term financing bonds (短期融資券) in an aggregate principal amount of up to RMB2 billion registered by Aluminum & Power at the Association;
- (k) an underwriting agreement dated 17 April 2015 entered into between Shandong Hongqiao and Minsheng Bank in relation to the underwriting by Minsheng Bank and certain other arrangements in respect of the short-term financing bonds (短期融資券) in an aggregate principal amount of no more than RMB2 billion registered by Shandong Hongqiao at the Association;
- (l) an underwriting agreement dated 7 August 2015 entered into between Shandong Hongqiao and Minsheng Bank in relation to the underwriting by Minsheng Bank and certain other arrangements in respect of the medium term notes (中期票據) in an aggregate principal amount of no more than RMB1.5 billion registered by Shandong Hongqiao at the Association;
- (m) an underwriting agreement dated 14 August 2015 entered into between Shandong Hongqiao and CITIC Securities Company Limited (中信証券股份有限公司) (“**CITIC Securities**”) in relation to the underwriting by CITIC Securities and certain other arrangements in respect of the corporate bonds issued by Shandong Hongqiao in an aggregate principal amount of no more than RMB6 billion (or such amount approved by the competent authorities);
- (n) an underwriting agreement dated 28 September 2015 entered into between Aluminum & Power and GF Securities in relation to the underwriting by GF Securities and certain other arrangements in respect of the corporate bonds issued by Aluminum & Power in an aggregate principal amount of up to RMB6 billion (or such amount approved by the competent authorities);
- (o) an underwriting agreement dated 17 December 2015 entered into between Shandong Hongqiao and Ping An Securities Limited (平安證券有限責任公司) (“**Ping An Securities**”) in relation to the underwriting by Ping An Securities and certain other arrangements in respect of the corporate bonds issued by Shandong Hongqiao in an aggregate principal amount of up to RMB6 billion (or such amount stated in the approval letter issued by the competent authorities); and
- (p) the Underwriting Agreement.

13. EXPERT AND CONSENT

The following are the qualifications of the expert who has given opinions or advice which are contained in this Prospectus:

Name	Qualification
Ernst & Young	Certified Public Accountants

The above expert has given and has not withdrawn its written consent to the issue of this Prospectus, with the inclusion of its letter as set out in this Prospectus and references to its name in the form and context in which they appear respectively.

As at the Latest Practicable Date, the above expert was not beneficially interested in the share capital of any member of the Group, nor did it 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, nor did it have any interest, either direct or indirect, in any assets which had been since 31 December 2014 (being the date to which the latest audited financial statements of the Group were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

14. RESTRICTION AFFECTING REMITTANCE OF PROFIT AND CAPITAL

A significant part of the Group's turnover and operating expenses are denominated in RMB, which is currently not a freely convertible currency. The PRC Government imposes controls on the convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of the PRC. Under the PRC existing foreign exchange regulations, the foreign exchange disbursements under current accounts (including payment of dividends, trade and service-related foreign exchange) can be paid with self-owned foreign exchange or foreign exchange bought from designated financial institutions for foreign exchange operations without prior approval from PRC foreign exchange administrative department by complying with certain procedural requirements. However, for the foreign exchange disbursements under capital account (such as the repayment of foreign debts and foreign investments), which according to applicable PRC laws and regulations are required to be filed by the competent bank pursuant to Circular 13 (the Notices on Further Simplifying and Improving Administrative Policies on the Direct Investment of Foreign Exchange) entered into effect as of 1 June 2015, such filing shall be obtained before paying the foreign exchange disbursements with self-owned foreign exchange or foreign exchange bought from designated financial institutions for foreign exchange operations.

Save as disclosed above, the Directors are not aware of any other restriction affecting the remittance of profits or repatriation of capital of the Group into Hong Kong from the PRC.

15. MISCELLANEOUS

- (a) The registered office of the Company is situated at Floor 4, Willow House, Cricket Square, P O Box 2804, Grand Cayman KY1-1112, Cayman Islands.

- (b) The company secretary of the Company is Ms. Zhang Yuexia.
- (c) The share registrar of the Company is Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (d) The English text of this Prospectus shall prevail over the Chinese text in case of any inconsistency.

16. DOCUMENT DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consent of Ernst & Young referred to in the paragraph headed "Expert and Consent" in this Appendix has been delivered to the Registrar of Companies of Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

17. EXPENSES

The expenses in connection with the Rights Issue are estimated to amount to approximately HK\$13,479,000 and will be borne by the Company.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the principal place of business of the Company at 43rd Floor, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong, for a period of 14 days from the date of this Prospectus:

- (a) the articles of association of the Company;
- (b) this Prospectus;
- (c) the letter of consent referred to in the paragraph headed "Expert and Consent" above;
- (d) the material contracts referred to in the paragraph headed "Material Contracts" above;
- (e) the report from Ernst & Young in respect of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as set out in Appendix II to this Prospectus;
- (f) the annual reports of the Company for each of the two financial years ended 31 December 2013 and 2014; and
- (g) a copy of each circular issued pursuant to the requirements set out in Chapter 14 and/or 14A of the Listing Rules which has been issued since 31 December 2014.