
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

A copy of each of the Rights Issue Documents, having attached thereto the documents referred to under the paragraph headed "Documents delivered to the Registrar of Companies" in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong and the Securities and Futures Commission in Hong Kong take no responsibility for the contents of any of the Rights Issue Documents.

Dealings in the Rights Shares in their nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

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

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Rights Issue 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 the Rights Issue Documents.



HUISHENG INTERNATIONAL HOLDINGS LIMITED

惠生國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1340)

(1) RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE; AND (2) CHANGE IN BOARD LOT SIZE

Financial adviser to the Company



INCUB Corporate Finance Limited

Underwriter to the Rights Issue

 KINGSTON SECURITIES

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

The last day of dealings in the Shares on a cum-rights basis was on Friday, 23 December 2016 and the Shares had been dealt in on an ex-rights basis from Wednesday 28 December 2016. Dealings in the Rights Shares in the nil-paid form will take place from Wednesday, 11 January 2017 to Wednesday, 18 January 2017 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed. Any persons dealing in the nil-paid Rights Shares during the period from Wednesday, 11 January 2017 to Wednesday, 18 January 2017 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

It should be noted that the Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing to the Company, at any time prior to 4:30 p.m. on Latest Time for Termination to terminate the obligations of the Underwriter thereunder on the occurrence of certain events including force majeure. These events are set out under the section headed "Termination of the Underwriting Agreement" on pages 7 to 8 of this Prospectus. If the Underwriter terminates the Underwriting Agreement in accordance with the terms thereof, the Rights Issue will not proceed. In addition, the Rights Issue is conditional on all conditions set out on page 18 of this Prospectus being fulfilled or waived (as applicable). In the event that such conditions have not been fulfilled and/or waived in whole or in part by the Underwriter on or before 4:30 p.m. on Tuesday, 24 January 2017, all liabilities of the parties to the Underwriting Agreement shall cease and determine and no party shall have any claim against the other party save for any antecedent breach of the Underwriting Agreement and the Rights Issue will not proceed. Any Shareholder or other person contemplating any dealings in the Shares (as the case may be) and/or nil-paid Rights Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional advisers.

The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Monday, 23 January 2017. The procedure for acceptance and payment or transfer of the Rights Shares and application and payment for excess Rights Shares are set out on pages 14 to 17 of this Prospectus.

9 January 2017

CONTENTS

	<i>Page</i>
EXPECTED TIMETABLE	1
DEFINITIONS	3
TERMINATION OF THE UNDERWRITING AGREEMENT	7
LETTER FROM THE BOARD	9
APPENDIX I — FINANCIAL AND OTHER INFORMATION OF THE GROUP	26
APPENDIX II — UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP	29
APPENDIX III — GENERAL INFORMATION	35

EXPECTED TIMETABLE

The expected timetable for the Rights Issue and the associated trading arrangement is set out below:

Event	Timeline 2017
Effective date of change in board lot size from 2,000 shares to 4,000 shares	Tuesday, 10 January
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	Tuesday, 10 January
First day of dealing in nil-paid Rights Shares	9:00 a.m. on Wednesday, 11 January
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Friday, 13 January
Last day of dealing in nil-paid Rights Shares	4:00 p.m. on Wednesday, 18 January
Latest time for acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares	4:00 p.m. on Monday, 23 January
Latest time for terminating the Underwriting Agreement and for the Rights Issue to become unconditional	4:30 p.m. on Tuesday, 24 January
Announcement of results of the Rights Issue	Wednesday, 1 February
Despatch of certificates for fully-paid Rights Shares	Thursday, 2 February
Despatch of refund cheques for wholly and partially unsuccessful excess applications on or around	Thursday, 2 February
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Friday, 3 February
The last day for the designated broker to provide matching services for odd lots of Shares	Tuesday, 28 February

All times and dates stated 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 Underwriter. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

EXPECTED TIMETABLE

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

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Monday, 23 January 2017, being the date of the Latest Acceptance Time:

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

If the Latest Acceptance Time does not take place on Monday, 23 January 2017, the dates mentioned in this section may be affected. An announcement will be made by the Company in such event as soon as practicable.

DEFINITION

In this Prospectus, unless the context requires otherwise, the following expressions shall have the following meanings:

“Able Power”	Able Power Corporate Development Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is legally and beneficially owned by Mr. Wong
“Announcement”	the announcement of the Company dated 15 December 2016 relating to, <i>inter alia</i> , the Rights Issue
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Huisheng International Holdings Limited (stock code: 1340), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) for additional Rights Shares proposed to be subscribed by the Qualifying Shareholders in addition to their assured entitlements under the Rights Issue
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Irrevocable Undertaking”	the irrevocable undertaking dated 15 December 2016 jointly given by Able Power and Mr. Wong in favour of the Company and the Underwriter to subscribe for, in aggregate, 86,247,364 Rights Shares to which Able Power and Mr. Wong are entitled to under the Rights Issue

DEFINITION

“Last Trading Day”	15 December 2016, being the last trading day of the Shares on the Stock Exchange prior to the release of the Announcement
“Latest Acceptance Time”	4:00 p.m. on Monday, 23 January 2017 (or such other time or date as the Underwriter may agree in writing with the Company), being the latest date for acceptance of, and payment of, Rights Shares
“Latest Practicable Date”	4 January 2017, being the latest practicable date prior to printing of this Prospectus for the purpose of ascertaining certain information contained therein
“Latest Time for Termination”	4:30 p.m. on Tuesday, 24 January 2017, being the first Business Day following the Latest Acceptance Time or such later time and/or date as the Company and the Underwriter may agree, being the latest time to terminate the Underwriting Agreement
“Listing Committee”	has the meaning as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Wong”	Mr. Wong Kui Shing, Danny, the beneficial owner of Able Power and the substantial Shareholder
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) in respect of whom the Directors, based on legal opinions provided by legal advisers, consider it necessary or expedient not to offer the Rights Issue to such Overseas Shareholder(s) on account either of restrictions under the laws of the relevant place or the requirements of a relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is/are in a place(s) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) to be issued to the Qualifying Shareholders in respect of their assured entitlements under the Rights Issue
“Posting Date”	Monday, 9 January 2017, or such other day as may be agreed between the Company and the Underwriter, being the date of despatch of the Rights Issue Documents

DEFINITION

“PRC”	the People’s Republic of China, which for the purpose of this Prospectus, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Prospectus”	this prospectus issued by the Company in relation to the Rights Issue
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear on the register of members of the Company at the close of business on the Record Date
“Record Date”	Friday, 6 January 2017 or such other date as the Underwriter may agree in writing with the Company as the date by reference to which entitlements to the Rights Issue are expected to be determined
“Rights Issue”	the issue of the Rights Shares by way of rights to the Qualifying Shareholders for subscription on the terms to be set out in the Rights Issue Documents and as contemplated under the Underwriting Agreement
“Rights Issue Documents”	together, the Prospectus, PAL and EAF
“Rights Share(s)”	289,490,000 new Shares to be offered to the Qualifying Shareholders for subscription on the basis of one (1) Rights Share for every two (2) existing Shares held at the Record Date under the Rights Issue
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.50 per Rights Share
“Underwriter”	Kingston Securities Limited, a corporation licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO

DEFINITION

“Underwriting Agreement”	the underwriting agreement dated 15 December 2016 entered into between the Company and the Underwriter in relation to the underwriting and certain other arrangements in respect of the Rights Issue
“Underwritten Share(s)”	the number of Rights Shares to be underwritten by the Underwriter, which in maximum up to 203,242,636 Rights Shares, being the total number of Rights Shares less the number of Rights Shares which Able Power and Mr. Wong undertake to take up their respectively entitlement under the Rights Issue
“%”	per cent.

In this Prospectus, unless otherwise stated, translation of RMB into HK\$ based on the exchange rate of RMB1 to HK\$1.123. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in Hong Kong dollars or Renminbi have been, could have been or may be converted at such or any other rate or at all.

** The English translation of Chinese names or words in this Prospectus, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names and words.*

TERMINATION OF THE UNDERWRITING AGREEMENT

If, prior to the Latest Time for Termination (provided that if the date of the Latest Time for Termination shall be a Business Day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day, the date of the Latest Time for Termination shall be the next Business Day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day):

- (i) in the absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic 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 which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or material and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iii) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospectus of the Group as a whole; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (vi) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of any of the Underwriter, a material omission in the context of the Rights Issue; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the Announcement or the Rights Issue Documents or other announcements or circulars in connection with the Rights Issue; or
- (viii) the Prospectus when published contains information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which has not prior to the date hereof been publicly announced or published by the Company and which may in the absolute opinion of the Underwriter be material to the Group as a whole upon completion of the Rights Issue and is likely to affect materially and adversely the success of the Rights Issue,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (i) any material breach of any of the representations, warranties or undertakings by the Company contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (ii) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination comes to the knowledge of the Underwriter, which if such event had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties contained in the Underwriting Agreement untrue or incorrect in any material respect.

Any notice of termination shall be served by the Underwriter prior to the Latest Time for Termination.

Without prejudice to the above, if prior to the Latest Time for Termination, the Underwriter serves the notice of termination to the Company, all the Underwriter's obligations under the Underwriting Agreement shall cease and the Underwriting Agreement be deemed to have been terminated, and no party to the Underwriting Agreement shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

LETTER FROM THE BOARD



HUI SHENG INTERNATIONAL HOLDINGS LIMITED

惠生國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1340)

Executive Directors:

Mr. Ding Biyan
Mr. Chan Chi Ching
Dr. Liu Ta-pei
Ms. Lam Ka Lee

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent Non-Executive Directors:

Mr. Ma Yiu Ho, Peter
Mr. Deng Jinping
Mr. Liao Xiujian
Mr. Wong King Shiu, Daniel

*Principal place of business
in Hong Kong:*

Unit 8A, 8/F.,
Aubin House
171-172 Gloucester Road
Wan Chai, Hong Kong

9 January 2017

*To the Qualifying Shareholders,
and for information only, the Non-Qualifying Shareholders*

Dear Sir or Madam,

**RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE
FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE**

INTRODUCTION

On 15 December 2016, the Company proposed to raise approximately HK\$144.75 million, before expenses, by way of the Rights Issue of 289,490,000 Rights Shares to the Qualifying Shareholders at a Subscription Price of HK\$0.50 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date.

The purpose of this Prospectus is to provide you with, among other things, further details in relation to the Rights Issue, including procedures for the acceptance of, and payment for, the Rights Shares and certain financial information and other information of the Group.

LETTER FROM THE BOARD

THE RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue:	One (1) Rights Share for every two (2) existing Shares held on the Record Date
Subscription Price:	HK\$0.50 per Rights Share
Net price per Rights Share:	Approximately HK\$0.49
Number of Shares in issue as at the Latest Practicable Date:	578,980,000 Shares
Number of Rights Shares:	289,490,000 Rights Shares (assuming no further Shares will be issued on or before the Record Date)
Enlarged issued share capital upon completion of the Rights Issue:	868,470,000 Shares
Aggregate nominal value of the Rights Shares:	HK\$2,894,900 (assuming no further Shares will be issued on or before the Record Date)

The number of Rights Shares to be issued under the Rights Issue represents 50% of the issued share capital of the Company as at the Latest Practicable Date and approximately 33.33% of enlarged issued share capital of the Company immediately following the completion of the Rights Issue.

As at the Latest Practicable Date, the Company did not have any derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares. The Company also has no intention to issue or grant any convertible securities, options and/or warrants on or before the Record Date.

LETTER FROM THE BOARD

Subscription Price

The Subscription Price is HK\$0.50 per Rights Share, payable in full upon acceptance under the PAL(s), and where applicable, application for excess Rights Shares, or when a transferee of the nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares which represents:

- (i) a discount of approximately 5.66% to the closing price of HK\$0.530 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 7.06% to the average of the closing prices of HK\$0.538 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;
- (iii) the same as the closing price of HK\$0.500 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (iv) a discount of approximately 3.85% to the theoretical ex-rights price of HK\$0.52 per Share as adjusted for the effect of the Rights Issue, based on the closing price of HK\$0.53 per Share as quoted on the Stock Exchange on the Last Trading Day.

The terms of the Rights Issue, including the Subscription Price and basis of the Rights Issue, were determined after arm's length negotiation between the Company and the Underwriter with reference to, among others: (i) the prevailing market prices of the Shares; (ii) trading liquidity of the Shares; (iii) the funding needs of the Company and the amount of funds expected to be raised by the Rights Issue; (iv) the potential dilution effect on any Shareholders who elect not to take up their respective entitlement under the Rights Issue; and (v) the current and expected market conditions.

The Directors consider that, despite the potential dilution impact arising from the Rights Issue on the shareholding of the existing Shareholders, the terms of the Rights Issue are fair and reasonable and in the best interest of the Company and the Shareholders as a whole, after taking into account the following factors: (i) the Subscription Price has been set at a discount to the recent closing prices of the Shares with an objective of encouraging Qualifying Shareholders to take up their entitlements so as to share the potential growth of the Company; (ii) the Qualifying Shareholders who elect to take up their respective entitlements in full can maintain their respective existing shareholding interest in the Company upon completion of the Rights Issue; (iii) the Qualifying Shareholders who elect not to participate in the Rights Issue are able to sell the nil-paid Rights Shares in the market, while the Qualifying Shareholders who wish to increase their shareholding in the Company through the Rights Issue are able to acquire additional nil-paid Rights Shares in the market and/or through the EAF; and (iv) the Rights Issue provides an opportunity to the Qualifying Shareholders to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective shareholding interests in the Company at a relatively lower price as compared with the recent market prices.

LETTER FROM THE BOARD

Apart from the Rights Issue, the Company has considered other financing methods including debt financing and other equity financing methods such as issuance of convertibles bonds and placing of new shares to independent third parties. Nevertheless, having considered that (i) debt financing and issuance of convertible bonds would result in additional interest burden and would bring adverse effect to financial performance of the Group; and (ii) Rights Issue has the least dilution effect on the shareholding of the existing Shareholders by providing the Qualifying Shareholders an opportunity to subscribe for their pro-rata entitlement of Rights Shares, the Company is of the view that the Rights Issue is the most appropriate financing method.

Prior to entering into of the Underwriting Agreement, the Company has approached four financial institutions, including the Underwriter, in order to obtain best available terms of the Rights Issue. However, save for the Underwriter, none of the other financial institutions are willing to proceed further negotiation as a underwriter to the Rights Issue. Having considered the Company's need to raise funds for its business plan and the Underwriter's extensive network and willingness to underwrite all the Underwritten Shares at the proposed Subscription Price, the Company further negotiated the terms of the underwriting arrangement and entered into the Underwriting Agreement with the Underwriter.

Basis of provisional allotment

The Rights Shares will be allotted and issued on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date. Acceptances of 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 by the Latest Acceptance Time.

Status of the Rights Shares

The Rights Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Rights Shares, including the right to receive all dividends and distributions which may be declared, made or paid on or after such date.

The Irrevocable Undertaking

As at the Latest Practicable Date, Mr. Wong, the substantial shareholder of the Company as defined under the Listing Rules, personally owned 54,000 Shares and was beneficial interested in 172,440,728 Shares through Able Power.

Mr. Wong and Able Power are, in aggregate, interested in 172,494,728 Shares, representing approximately 29.79% of the issued share capital of the Company. Mr. Wong and Able Power have jointly given the Irrevocable Undertaking in favor of the Company and the Underwriter, to subscribe for, in aggregate, 86,247,364 Rights Shares to which Mr. Wong and Able Power are entitled to under the Rights Issue.

LETTER FROM THE BOARD

Fractional entitlements to the Rights Shares

The Company will not provisionally allot to and will not accept applications for any fractions of Rights Shares from the Qualifying Shareholders. Fractional entitlements will be rounded down to the nearest whole number of Rights Shares. Such fractional entitlements will be aggregated and the fractions of nil paid Rights Shares shall be provisionally allotted to a nominee of the Company. The Company shall procure such nominee, if possible, to sell all the fractions of the nil-paid Rights Shares in the market and the net proceeds of such sales, after deduction of expenses, will be aggregated and an equivalent amount will accrue for the benefit of the Company.

Change in board lot size

The board lot size for trading in the Shares on the Stock Exchange will be changed from 2,000 Shares to 4,000 Shares with effect from 9:00 a.m. on Tuesday, 10 January 2017.

Based on the closing price of HK\$0.50 per Share as at the Latest Practicable Date, the value of each board lot of 4,000 Shares, was HK\$2,000.

Odd lot arrangement

In order to facilitate the trading of odd lots of the Shares arising from the Rights Issue, Kingston Securities Limited has been appointed, on a best efforts basis, to match the purchase and sale of odd lots of the Shares at the relevant market price per Share for the period from 10 January 2017 to 28 February 2017 (both days inclusive). Shareholders who wish to take advantage of this service should contact Ms. Jovanni Cai at Suit 2801, One International Finance Center, 1 Harbour View Street, Central, Hong Kong or at telephone number (852) 2298-6297 during office hours (i.e. 9:00 a.m. to 6:00 p.m.) of such period. Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of Shares is not guaranteed. Any Shareholders who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers.

Qualifying Shareholders

The Company will send the Rights Issue Documents to Qualifying Shareholders only. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be a Non-Qualifying Shareholder at the close of business on the Record Date.

Non-Qualifying Shareholders

The Company will send the Prospectus only (without PAL or EAF) to the Non-Qualifying Shareholders, if any, for information only. As at the Latest Practicable Date, which would remain unchanged up to the Record Date, the Company has no Overseas Shareholders. As such, no Shareholders will be excluded from participating in the Rights Issue.

LETTER FROM THE BOARD

Procedure for acceptance and payment or transfer

Qualifying Shareholders will find enclosed with this Prospectus a PAL which entitles them to subscribe for the number of Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar by no later than 4:00 p.m. on Monday, 23 January 2017. All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "Huisheng International Holdings Limited — Rights Issue Account" and crossed "Account Payee Only".

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been received by the Registrar by 4:00 p.m. on Monday, 23 January 2017, whether by the original allottee or any person to whom the rights have been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be underwritten by the Underwriter.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PALs or to transfer their rights to more than one person, the original PALs must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Friday, 13 January 2017 with the Registrar who will cancel the original PALs and issue new PALs in the denominations required, which will be available for collection at the Registrar after 9:00 a.m. on the second Business Day after the surrender of the original PALs.

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

LETTER FROM THE BOARD

No action has been taken to obtain permission of the offering of the Rights Shares or the distribution of the Rights Issue Documents in any jurisdiction other than Hong Kong. Accordingly, no person receiving a copy of the Rights Issue Documents in any jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares, unless in the relevant jurisdictions, such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements. It is the responsibility of anyone outside Hong Kong wishing to make on his/her/its behalf an application for the Rights Shares to satisfy himself/herself/itself as to the observance of the laws and regulations of all relevant jurisdiction, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in such jurisdiction in connection therewith. Completion and return of the PAL by anyone outside Hong Kong will constitute a warranty and representation to the Company that all these local registration, legal and regulatory requirements of such relevant jurisdictions other than Hong Kong in connection with the PAL and any acceptance of it, have been, or will be, duly complied with. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that in doing so would violate the applicable securities or other laws or regulations of any jurisdiction. For the avoidance of doubt neither HKSCC nor HKSCC Nominees subject to any of the representations and warranties. No application for the Rights Shares will be accepted from any person who is a Non-Qualifying Shareholder.

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

No receipt will be issued in respect of any application monies received.

Application for excess Rights Shares

Qualifying Shareholders may apply, by way of excess application, for (i) any Rights Shares provisionally allotted but not accepted, and (ii) any unsold Rights Shares arising out of the aggregation of fractional entitlements.

Application for excess Rights Shares can be made only by duly completing and signing an EAF (in accordance with the instructions printed therein) and lodging the same with a separate cheque or banker's cashier order for the sum payable for the excess Rights Shares being applied for with the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by not later than 4:00 p.m. on Monday, 23 January 2017 (Hong Kong time). All remittances must be made in Hong Kong dollars and cheques or cashier's orders must be drawn on a licensed bank account in Hong Kong and made payable to "Huisheng International Holdings Limited — Excess Application Account" and crossed "Account Payee Only".

LETTER FROM THE BOARD

The Directors will, upon consultation with the Underwriter, allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis and on a pro rata basis in proportion to the number of excess Rights Shares being applied for under each application. No reference will be made to Rights Shares subscribed through applications by PAL(s) 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 PAL(s) is greater than the aggregate number of excess Rights Shares applied for through EAF(s), the Directors will allocate in full to each Qualifying Shareholder the number of excess Rights Shares applied for under the EAF(s).

In applying the above principles, reference will only be made to the number of excess Rights Shares being applied for. No preference will be given to topping up odd lots to whole board lots.

In the event that the Board noted unusual patterns of excess applications and had reason to believe that any application may have been made with the intention to abuse the application for excess Rights Shares mechanism, such application for excess Rights Shares may be rejected at the sole discretion of the Board.

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

The allocation of excess Rights Shares (if any) made to the Qualifying Shareholders will be announced on or about Wednesday, 1 February 2017. If no excess Rights Shares are allotted to the Qualifying Shareholders, a cheque for the amount tendered on application is expected to be refunded in full on or before Thursday, 2 February 2017. If the number of excess Rights Shares allotted to the Qualifying Shareholders is less than that applied for, a cheque for the surplus application monies are also expected to be refunded to them on or before Thursday, 2 February 2017.

All cheques and cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the EAF will constitute a warranty and representation to the Company that all registration, legal and regulatory requirements of all relevant jurisdictions in connection of the EAF and any acceptance of it, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited has given, or be subject to, any of the above representation or warranty. Completion and return of the EAF together with a cheque or cashier's order in payment for excess Rights Shares applied for will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. If any cheque or cashier's order accompanying a completed EAF is dishonoured on first presentation, without prejudice to the other rights of the Company, such EAF is liable to be rejected.

LETTER FROM THE BOARD

The EAF 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 the amount due, will be despatched by ordinary post at the risk of the persons entitled thereto to their respective registered addresses as shown in the register of members of the Company on the Record Date.

If the Underwriter exercises the right to terminate the Underwriting Agreement or if the conditions of the Rights Issue are not fulfilled or waived (as applicable), the monies received in respect of the relevant applications for excess Rights Shares will be returned to the applicants, or in case of joint applicants, to the first-named person, without interest by means of cheques despatched by ordinary post to their respective addresses at their own risk on or before Thursday, 2 February 2017.

Application for listing

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirement of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Rights Shares in both their nil-paid and fully-paid forms or such other dates as may be 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. 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. All necessary arrangements will be made to enable the Rights Shares in both their nil-paid and fully-paid forms to be admitted into CCASS.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the new board lots of 4,000 Rights Shares. Dealing in the Rights Shares will be subject to the payment of the stamp duty and other applicable fees and charges in Hong Kong.

Certificates for the Rights Issue and refund cheques

Subject to the fulfillment of the conditions of the Rights Issue below, share certificates for all fully-paid Rights Shares are expected to be posted on or before Thursday, 2 February 2017 to those who have accepted and paid for the Rights Shares, by ordinary post at their own risk.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares are also expected to be posted on or before Thursday, 2 February 2017 by ordinary post at the own risk of the Shareholders.

LETTER FROM THE BOARD

Each Shareholder will receive one share certificate for all allotted Rights Shares.

Conditions of the Rights Issue

The Rights Issue is conditional upon:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Rights Issue Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up And Miscellaneous) Ordinance not later than the Posting Date;
- (ii) the posting of the Rights Issue Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Overseas Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date;
- (iii) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares by no later than the first day of their dealings;
- (iv) the Shares remaining listed on the Stock Exchange at all times prior to the Settlement Date and the 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 10 trading days at any time prior to the Latest Acceptance Time;
- (v) the obligations of the Underwriter becoming unconditional and the Underwriting Agreement is not terminated in accordance with its terms;
- (vi) compliance with and performance of all the undertakings and obligations of Mr. Wong and Able Power under the terms of the Irrevocable Undertaking;
- (vii) compliance with and performance of all the undertakings and obligations of the Company under the terms of the Underwriting Agreement; and
- (viii) compliance with the requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands.

The conditions set out above are incapable of being waived. If all of the above conditions are not satisfied by 4:30 p.m. (Hong Kong time) on Tuesday, 24 January 2017, the Latest Time for Termination, or such later date or dates as the Underwriter may agree with the Company in writing, the Underwriting Agreement shall terminate and no party will have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches, and the Rights Issue will not proceed.

LETTER FROM THE BOARD

As at the Latest Practicable Date, none of the above conditions had been fulfilled. Conditions (i) and (ii) will be fulfilled on the Posting Date.

UNDERWRITING ARRANGEMENT FOR THE RIGHTS ISSUE

The Underwriting Agreement

Pursuant to the Underwriting Agreement, the Underwriter has agreed to fully underwrite all the Rights Shares under the Rights Issue, other than those agreed to be taken by Mr. Wong and Able Power pursuant to the Irrevocable Undertaking.

Agreement date	:	15 December 2016
Underwriter	:	Kingston Securities Limited
Total number of Underwritten Shares	:	203,242,636 Rights Shares
Commission	:	The Underwriter will receive 2.5% of the aggregate subscription price of the Underwritten Shares

Kingston Securities Limited is a licensed corporation to carry on Type 1 (dealing in securities) regulated activities under the SFO. To the best of the Directors' knowledge, information and belief, the Underwriter and its ultimate beneficial owner(s) are independent third parties not connected with the Company and its connected persons within the meaning of the Listing Rules.

As at the Latest Practicable Date, none of the Underwriter, its ultimate beneficial owner and their close associates held any Shares.

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriter by reference to the existing financial position of the Group, the size of the Rights Issues, and the current and expected market condition. The Board considers the terms of the Underwriting Agreement (including the commission rate) are fair and reasonable.

Termination of the Underwriting Agreement

Information on the termination of the Underwriting Agreement has been set out in the section headed "Termination of the Underwriting Agreement" in this Prospectus.

LETTER FROM THE BOARD

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND THE NIL-PAID SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among other things, the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. Accordingly, the Rights Issue may or may not proceed.

Dealings in the Rights Shares in nil-paid form in the new board lots of 4,000 Rights Shares are expected to take place from Wednesday, 11 January 2017 to Wednesday, 18 January 2017 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any person who is in any doubt about his/her position or any action to be taken is recommended to consult his/her own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights 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 Underwriter's right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

LETTER FROM THE BOARD

CHANGE IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE RIGHTS ISSUE

The changes in the shareholding structure of the Company arising from the Rights Issue are as follows:

	As at the date of the Latest Practicable Date		Immediately after completion of the Rights Issue (assuming no Rights Shares are subscribed by the Qualifying Shareholders, except for Mr. Wong and Able Power)		Immediately after completion of the Rights Issue (assuming all Rights Shares are subscribed by the Qualifying Shareholders)	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Able Power <i>(Note 1)</i>	172,440,728	29.78	258,661,092	29.78	258,661,092	29.78
Mr. Wong	<u>54,000</u>	<u>0.01</u>	<u>81,000</u>	<u>0.01</u>	<u>81,000</u>	<u>0.01</u>
<i>Sub-total</i>	172,494,728	29.79	258,742,092	29.79	258,742,092	29.79
Public Shareholders	406,485,272	70.21	406,485,272	46.81	609,727,908	70.21
Underwriter <i>(Note 2)</i>	<u>—</u>	<u>—</u>	<u>203,242,636</u>	<u>23.40</u>	<u>—</u>	<u>—</u>
Total	<u><u>578,980,000</u></u>	<u><u>100.0</u></u>	<u><u>868,470,000</u></u>	<u><u>100.0</u></u>	<u><u>868,470,000</u></u>	<u><u>100.0</u></u>

Notes:

- These Shares are legally owned by Able Power which was wholly and beneficially owned by Mr. Wong. By virtue of the SFO, Mr. Wong is deemed to be interested in the 172,494,728 Shares.
- Pursuant to the Underwriting Agreement, the Underwriter shall use its best endeavours to ensure that (1) each of the subscribers of the Underwritten Shares procured by it shall be third party independent of and not connected with the Company, any of the Directors or chief executive or substantial shareholders of the Company or their respective associates; (2) the Underwriter will not (together with its respective parties acting in concert or any of its respective connected persons or associates) hold in aggregate 19.9% or more of the voting rights of the Company immediately after the Rights Issue; and (3) each of the sub-underwriter(s) or each of the ultimate subscribers or purchasers procured by the Underwriter or the sub-underwriter(s) will not (together with each of the respective parties acting in concert or any of their respective connected persons or associates) hold in aggregate 19.9% or more of the voting rights of the Company immediately after the Rights Issue.

LETTER FROM THE BOARD

Should the Qualifying Shareholders (save for Mr. Wong and Able Power) elect not to take up their entitlements under the Rights Issue, the maximum dilution impact on their respective shareholding upon completion of the Rights Issue is approximately 33.33%.

REASONS FOR THE RIGHTS ISSUE AND INTENDED USE OF PROCEEDS

The Group is principally engaged in the production and sale of pork products, and its operations mainly involve hog slaughtering as well as hog breeding and hog farming.

The gross proceeds and the net proceeds of the Rights Issue will be approximately HK\$144.75 million and HK\$140.53 million respectively. The Company intends to use (i) approximately HK\$87.82 million (representing approximately 62.5% of the net proceeds from the Rights Issue) for repayment of the borrowings of the Group and (ii) approximately HK\$52.71 million (representing approximately 37.5% of the net proceeds from the Rights Issue) for general working capital of the Group and financing any future business opportunities as may be identified by the Company.

INTENDED USE OF PROCEEDS FOR REPAYMENT OF BORROWINGS

The unaudited consolidated borrowings of the Group as at 30 November 2016 was approximately HK\$167.13 million, breakdown of which is set out below:

Debts	Outstanding balances loans (approximately)	Annual interest rate	Lenders	Due dates
A	RMB3 million (equivalent to approximately HK\$3.37 million)	8.27%	Linli SRCB Rural Bank	December 2016
B	RMB30.00 million (equivalent to approximately HK\$33.69 million)	5.22%	Huarong Xiangjiang Bank	January 2017
C	HK\$20.00 million	12%	First Credit Limited	March 2017
D	HK\$47.82 million	14%	VIP Credit Limited	March 2017
E	RMB2 million (equivalent to approximately HK\$2.25 million)	7.53%	Linli SRCB Rural Bank	April 2017
F	HK\$20.00 million	12%	First Credit Limited	April 2017
G	HK\$20.00 million	12%	Sun Fung Capital Limited	June 2017
H	HK\$20.00 million	7%	Hong Kong Tamron Group Company Limited	September 2017
Total	<u>HK\$167.13 million</u>			

To the best knowledge, information and belief of the Directors, having made reasonable enquiry, the abovementioned lenders and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

The Company intends to utilise part of the net proceeds from the Rights Issue amounting to approximately HK\$87.82 million to settle debts C, D and F.

LETTER FROM THE BOARD

The unaudited consolidated cash and bank balances of the Group as at 30 November 2016 amounted to approximately HK\$271.13 million, out of which approximately HK\$265.74 million were held by the operating subsidiaries in the PRC. Such balance was reserved for acquiring biological assets and as working capital to support the operations of slaughter house and breeding farms in Hunan Province, the PRC, for the future 12 months. Given that the transfer of cash from the PRC to Hong Kong is subject to the PRC foreign exchange control, the Board is of the view that the Group is recently of limited ability to effectively reallocate the cash held by the PRC subsidiaries.

INTENDED USE OF PROCEEDS FOR GENERAL WORKING CAPITAL

The Group intends to utilise approximately HK\$17.58 million for paying the general administrative expenses for the next 12 months which mainly include finance costs of approximately HK\$8.67 million, legal and professional fees of approximately HK\$3.24 million, staff and related costs of approximately HK\$2.45 million, rental and office expenses of approximately HK\$0.82 million and other administrative expenses of approximately HK\$2.40 million.

The Group intends to maintain higher level of cash and bank balances in Hong Kong in order to enhance the flexibility in identifying potential business opportunities by retaining additional cash of approximately HK\$35.13 million. As at the Latest Practicable Date, the Company was still in the progress of exploring potential business opportunities and had not identified or in discussion of any potential investment.

The Board is of the view that it is not desirable to conduct fund raising only when there is immediate need of funds as the cost of fund raising by then may be higher, and/or there are uncertainties as to whether the Group will be able to raise the amount of funding required based on its then business development, which may depend on the then prevailing market conditions. The Rights Issue would allow the Group to: (i) reduce the uncertainty over the Company's financial position to repay part of the outstanding balance of such borrowings which incur high interest rate; (ii) strengthen the Group's capital base and give the Qualifying Shareholders equal opportunity to maintain their respective pro-rata shareholding interests in the Company; (iii) provide the Group with flexibility in identifying potential investment opportunities; and (iv) give the Qualifying Shareholders equal opportunity to maintain their respective pro-rata shareholding interests in the Company. Hence, the Board considers that fund raising through the Rights Issue is in the interest of the Company and the Shareholders as a whole. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings will be diluted.**

LETTER FROM THE BOARD

THE COMPANY'S EXPECTED FUNDING NEEDS FOR THE NEXT 12 MONTHS

Other than the funding needs for repayment of borrowings and general working capital which will be financed by the proceeds from the Rights Issue, the Board does not see other material funding needs for the next 12 months based on the Board's latest financial estimates with the following underlying assumptions:

- (i) the Group is able to continue its business operations, and will allocate sufficient resources to keep abreast of its future development;
- (ii) there will be no premature termination of its existing loan facilities from financial institutions;
- (iii) there will be no material changes in the current political, legal, fiscal, economic conditions in Hong Kong, the PRC or any of the countries in which the Group currently carries on or intends to carry on its business operations; and
- (iv) there will be no material changes in the current interest rate, exchange rates of foreign currencies or the basis or rates of tax applicable to the Group's business operations.

On this basis, the Board considers that, the Group itself is expected to satisfy the Group's funding needs from its internal resources for the next 12 months from the date of this Prospectus, and therefore the Group does not have any plan for fund raising other than the Rights Issue in the next 12 months, unless the Company identifies new investment or business opportunities which require additional funding. As at the Latest Practicable Date, the Company is still in the progress of exploring potential business opportunities and has not identified or in discussion of any potential investment.

LETTER FROM THE BOARD

FUND RAISING ACTIVITY IN THE PAST TWELVE MONTHS

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Intend use of proceeds	Actual use of proceeds (approximately)
21 June 2016	Placing of 96,496,000 new Shares under general mandate	HK\$65.8 million	For general working capital and funding for potential investments	Fully applied for: (a) HK\$28.9 million for payment of operating expenses (b) HK\$36.9 million for addition of biological assets

Save as disclosed above, the Company had not conducted any equity fund raising activities in the past 12 months immediately preceding the Latest Practicable Date.

TAXATION

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of the holding or disposal of, or dealing in, the Rights Shares in both their nil-paid and fully-paid forms and, as regards the Non-Qualifying Shareholders, their receipt of the net proceeds of sale of the Rights Shares in their nil-paid form otherwise falling to be issued to them under the Rights Issue. It is emphasised that none of the Company, its Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of any person resulting from the purchase, holding or disposal of, or dealing in, the Rights Shares in both their nil-paid and fully-paid forms.

ADDITIONAL INFORMATION

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

By order of the Board
Huisheng International Holdings Limited
Chan Chi Ching
Executive Director

1. THREE-YEAR FINANCIAL INFORMATION

The published audited consolidated financial statements of the Group for the three financial years ended 31 December 2013, 2014 and 2015 are disclosed in the annual reports of the Company for the years ended 31 December 2013, 2014 and 2015.

The financial information of the Group for the year ended 31 December 2013 is disclosed from pages 28 to 92 in the annual report of the Company for the year ended 31 December 2013 published on 25 April 2014.

The financial information of the Group for the year ended 31 December 2014 is disclosed from pages 29 to 104 in the annual report of the Company for the year ended 31 December 2014 published on 22 April 2015.

The financial information of the Group for the year ended 31 December 2015 is disclosed from pages 32 to 94 in the annual report of the Company for the year ended 31 December 2015 published on 25 April 2016.

The financial information of the Group for the six months ended 30 June 2016 is disclosed from pages 1 to 24 in the interim report of the Company for the six months ended 30 June 2016 published on 20 September 2016.

They can be assessed on both the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://www.hsihl.com/>). Please refer to the hyperlinks as stated below:

2013 annual report: <http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0425/LTN20140425055.pdf>

2014 annual report: <http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0422/LTN201504221311.pdf>

2015 annual report: <http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0425/LTN20160425381.pdf>

2016 interim report: <http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0920/LTN20160920429.pdf>

2. INDEBTEDNESS STATEMENT

Borrowings

As at the close of business on 30 November 2016, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following indebtedness:

The Group had outstanding borrowings of approximately RMB148.8 million (equivalent to approximately HK\$167.13 million), of which with an aggregate amount of approximately RMB35.0 million were secured by the Group's buildings, prepaid lease payments or corporate guarantee. The carrying values of the Group's buildings and prepaid lease payments as at 30 November 2016, which were pledged to secure the Group's bank borrowings, amounted to approximately RMB24.9 million and approximately RMB96.0 million, respectively. The Group's secured bank borrowings bear contractual interest rate ranging from approximately 5.2% to 8.8% per annum.

The Group had other unsecured loans with an aggregate amount of approximately HK\$127.8 million. The Group's other loans bear contractual interest rate ranging from approximately 7.0% to 12.0% per annum.

Contingent liabilities

The Group did not have contingent liabilities that will have a material adverse effect on the financial position, liquidity or result of operation.

Save as aforesaid, the Group did not have any other bank loans, bank overdrafts and liabilities under acceptance or other similar indebtedness, debenture or other loan capital, mortgages, charges, guarantees or other material contingent liability outstanding as at the Latest Practicable Date.

3. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, after taking into account the existing cash and bank balances and other internal resources available and the estimated net proceeds from the Rights Issue, the Group has sufficient working capital for its present requirements and for at least 12 months from the date of this Prospectus in the absence of unforeseen circumstances.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in financial or trading position of the Group since 31 December 2015, being the date on which the latest published audited consolidated financial statements of the Company were made up and up to the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Group is one of the largest pork suppliers in Changde, Hunan Province, the PRC, and is principally engaged in the production and sale of pork products, and its operations mainly involve hog slaughtering as well as hog breeding and hog farming.

Based on the experience of the management and the history of the hog farming industry, and also in light of the trend of the recent market development, the management of the Group considered that the Group may need to expend more effort to keep the operation running on a smooth path. The Group will commit its resources in refining the existing business, and will consider developing new products to cope with people's changing preferences in diet. The Group may explore various business opportunities with promising potential to diversify its operation risk.

In the meantime of exploring potential investment opportunities, the Board also regards optimizing the use of the existing resources of the Company as the area of focus. The Company will make use of its resources in a more effective and efficient manner so as to maximise the benefits to the Company and shareholders as a whole.

The Company will continue its strategy of refining the existing business with potentials while exploring for new business opportunities. The Company will keep pace with the market conditions and refine the business direction accordingly.

A. REPORT OF THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the text of a report, received from the independent reporting accountants, HLB Hodgson Impey Cheng Limited, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the Group for the sole purpose of inclusion in this prospectus.



31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

9 January 2017

The Board of Directors
Huisheng International Holdings Limited
Unit 8A, 8/F., Aubin House
171–172 Gloucester Road
Wan Chai
Hong Kong

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION INCLUDED IN AN
INVESTMENT CIRCULAR****TO THE DIRECTORS OF HUI SHENG INTERNATIONAL HOLDINGS LIMITED**

We have completed our assurance engagement to report on the pro forma financial information of Huisheng International Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors for illustrative purposes only. The pro forma financial information consists of the statement of unaudited pro forma adjusted consolidated net tangible assets of the Group as at 30 June 2016 (the “**Pro Forma Financial Information**”) and related notes as set out on page 33 to 34 of the Prospectus issued by the Company dated 9 January 2017 (the “**Prospectus**”). The applicable criteria on the basis of which the directors have compiled the Pro Forma Financial Information are described on page 33 to 34 of the Prospectus.

The Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed rights issue on the basis of one rights share for every two existing shares held on the record date (the “**Rights Issue**”) on the Group’s net tangible assets as at 30 June 2016 as if the Rights Issue had taken place at 30 June 2016. As part of this process, information about

the Group's net tangible assets has been extracted by the directors of the Company from the Group's unaudited condensed consolidated interim financial statements for the six months ended 30 June 2016, on which an unaudited interim report has been published.

Directors' Responsibility for the Pro Forma Financial Information

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

Our Independence and Quality Control

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

The firm applies Hong Kong Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" 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 respective 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 AG 7 issued by the 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 the Pro Forma Financial Information included in this Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2016 would have been as presented.

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

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

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Financial Information.

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

Opinion

In our opinion:

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

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Hon Koon Fai, Alex
Practising Certificate Number: P05029

Hong Kong, 9 January 2017

B. UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma financial information of the Group has been prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the basis of one rights share (“**Rights Share**”) for every two existing shares held on the record date at HK\$0.50 per Rights Share on the unaudited consolidated net tangible assets of the Group as if the Rights Issue had taken place on 30 June 2016.

The Pro Forma Financial Information is prepared for illustrative purposes only, and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group as at the date to which it is made up or at any future date.

The Pro Forma Financial Information is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2016 as extracted and derived from the unaudited condensed consolidated interim financial statement of the Group for the six months ended 30 June 2016 included in the published interim report of the Group and adjusted as described below:

Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2016 <i>(note 1)</i> RMB'000	Estimated net proceeds from the Rights Issue <i>(note 2)</i> RMB'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company after the Rights Issue RMB'000	Unaudited consolidated net tangible assets of the Group per share attributable to owners of the Company as at 30 June 2016 before the completion of the Rights Issue <i>(note 3)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group per share attributable to owners of the Company after the Rights Issue <i>(note 4)</i>
964,039	120,852	1,084,891	1.67	1.25

Notes:

- (1) The unaudited consolidated net tangible assets (excluding non-controlling interests) of the Group attributable to the owners of the Company as at 30 June 2016 of approximately RMB964,039,000 is calculated based on the share capital and reserves attributable to the owners of the Company as at 30 June 2016.

- (2) The estimated net proceeds from the Rights Issue of approximately HK\$140,525,000 (equivalent to approximately RMB120,852,000) is based on 289,490,000 Rights Shares to be issued (based on 578,980,000 shares in issue as at the Latest Practicable Date and assuming no outstanding share options being exercised and no shares being repurchased by the Company) at the subscription price of HK\$0.50 per Rights Share and after deduction of estimated related expenses, including among others, other professional fees, which are directly attributable to the Rights Issue, of approximately HK\$4,220,000 (equivalent to approximately RMB3,629,000). The estimated net proceeds are converted into RMB at the rate of HK\$1 = RMB0.86.
- (3) The unaudited consolidated net tangible assets of the Group per share attributable to owners of the Company as at 30 June 2016 before the completion of the Rights Issue is determined based on the consolidated net tangible assets (excluding non-controlling interests) of the Group attributable to owners of the Company as at 30 June 2016 of approximately RMB964,039,000 as disclosed in note (1) above, divided by 578,980,000 shares in issue of the Company as at Latest Practicable Date.
- (4) Unaudited pro forma adjusted consolidated net tangible assets (excluding non-controlling interests) of the Group per share attributable to owners of the Company as at 30 June 2016 immediately after the completion of the Rights Issue is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Rights Issue of approximately RMB1,084,891,000, divided by 868,470,000 shares of the Company immediately after the completion of the Rights Issue, representing (i) 578,980,000 shares in issue at the Latest Practicable Date and (ii) 289,490,000 Rights Shares to be issued pursuant to the Rights Issue (based on 578,980,000 shares in issue as at the Latest Practicable Date and assuming no outstanding share options being exercised and no shares being repurchased by the Company).
- (5) No adjustment has been made to reflect any trading results or other transaction of Group entered into subsequent to 30 June 2016.

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL

The authorized and issued and fully paid share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately following the completion of the Rights Issue (assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the Record Date); were as follows:

(i) As at the Latest Practicable Date

Authorised capital:

1,500,000,000	Shares of HK\$0.01 each	HK\$15,000,000
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Issued and fully paid:

Amount paid up:

<u>578,980,000</u>	Shares in issue as at the Latest Practicable Date	<u>HK\$5,789,800</u>
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(ii) Immediately following completion of the Rights Issue (assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the Record Date)

Issued and fully paid:

578,980,000	Shares in issue	HK\$5,789,800
<u>289,490,000</u>	Rights Shares to be allotted and issued	<u>HK\$2,894,700</u>
<u>868,470,000</u>	Shares in total	<u>HK\$8,684,700</u>

As at the Latest Practicable Date, the Company did not have any derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares. The Company also has no intention to issue or grant any convertible securities, options and/or warrants on or before the Latest Practicable Date.

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 allotted and issued will, when issued and fully paid, rank *pari passu* in all respects with the existing Shares.

The Shares in issue are listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

There are no arrangements under which future dividends will be waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

Interests of Directors

As at the Latest Practicable Date, none of the Directors or the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required, to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

Interests and short positions of substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors or chief executives of the Company, the following persons (other than the Directors or chief executives of the Company as disclosed herein) had interests or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Shareholder	Nature of Interest	Number of Shares	Position	Approximate percentage of total issued share capital of the Company
Able Power Corporate Development Limited (Note 1)	Beneficial Owner	258,661,092	Long	29.78%
Mr. Wong Kui Shing, Danny (Note 1)	Interest of Controlled Corporation	258,661,092	Long	29.78%
	Beneficial Owner	81,000	Long	0.01%
Ms. Chu Yuet Wah (Note 2)	Interest of a controlled corporation	203,242,636	Long	23.40%
Active Dynamic (Note 2)	Interest of a controlled corporation	203,242,636	Long	23.40%
Galaxy Sky Investments Limited (Note 2)	Interest of a controlled corporation	203,242,636	Long	23.40%
Kingston Capital Asia Limited (Note 2)	Interest of a controlled corporation	203,242,636	Long	23.40%
Kingston Financial Group Limited (Note 2)	Interest of a controlled corporation	203,242,636	Long	23.40%
Underwriter (Note 2)	Others	203,242,636	Long	23.40%

Notes:

- As at the Latest Practicable Date, Mr. Wong was the beneficial owner of 54,000 Shares and was deemed to be interested in 172,440,728 Shares held through Able Power which is wholly and beneficially owned by him. Mr. Wong and Able Power have jointly given the Irrevocable Undertaking in favor of the Company and the Underwriter, to subscribe for, in aggregate, 86,247,364 Rights Shares to with Able Power and Mr. Wong are entitled to under the Rights Issue.
- The Shares are the Rights Shares which the Underwriter is interested under the Underwriting Agreement on the assumption of no acceptance by the Qualifying Shareholders under the Rights Issue. The Underwriter is a wholly-owned subsidiary of Galaxy Sky Investments Limited, which is wholly owned by Kingston Capital Asia Limited. Kingston Capital Asia Limited is wholly owned by Kingston Financial Group Limited. Active Dynamic Limited owns 49.19% interest in Kingston Financial Group Limited. Mrs. Chu Yuet Wah owns 100% interest in Active Dynamic Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person who had an interest or short positions in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Other interest of the Directors

As at the Latest Practicable Date:

- (a) none of the Directors had any interest, either direct or indirect, in any assets which have, since 31 December 2015 (being the date on which the latest published audited accounts of the Group were made up), been 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
- (b) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which is subsisting as at the Latest Practicable Date and is significant in relation to the business of the Group.

5. LITIGATION

As at the Latest Practicable Date, no litigation or claim of material importance is known to the Directors' to be pending or threatened against any member of the Group.

6. DIRECTORS' CONTRACTS

As at the Latest Practicable Date, none of the Directors of the Company had entered or proposed to enter into any service contracts with any member of the Group, excluding contracts expiring or determinable by the Group within one year without payment of any compensation (other than statutory compensation).

7. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or controlling Shareholders or substantial Shareholders or any of their respective close associates (as defined in the Listing Rules) had any interest in a business which competes or may compete with the business of the Group nor does any of them has or may have any other conflicts of interest with the Group.

8. MATERIAL CONTRACTS

All material contracts (not being contracts entered into in the ordinary course of business) which were entered into by members of the Group within two years immediately preceding the issue of this Prospectus are as follows:

- (a) the placing agreement dated 19 May 2015 entered into among the Company, Huimin Holdings Limited (“Huimin”) and Get Nice Securities Limited in relation to the placing of up to 80,000,000 new Shares at the placing price of HK\$1.25 per Share on best efforts basis;
- (b) the acquisition agreement dated 29 June 2015 entered into between Taoyuan County Huisheng Meat Products Company Limited (“Huisheng Meat Products”), a wholly-owned subsidiary of the Company and Taoyuan County Si Xi Breeding Limited (“Si Xi Breeding”) in relation to acquisition of all the assets in the Tian He breeding farm, which was wholly-owned by Si Xi, Breeding at a consideration of RMB54 million;
- (c) the acquisition agreement dated 29 July 2015 entered into between Huisheng Meat Products and Deng Jie Wen in relation to acquisition of all the assets in the Hong Feng breeding farm, which was wholly-owned by Deng Jie Wen, at a consideration of RMB90 million;
- (d) the acquisition agreement dated 21 January 2016 entered into between Hunan Huisheng Meat Products Company Limited, a wholly-owned subsidiary of the Company (“Hunan Huisheng Meat”) and Huimin, a substantial Shareholder, in relation to the acquisition of all assets of the Nan Zhu Shan Fattening Farm, which was wholly-owned by Huimin, at a consideration of RMB47 million;
- (e) the acquisition agreement dated 21 January 2016 entered into between Huisheng Meat Products and Jisheng Holdings Limited (“Jisheng”), a substantial Shareholder, in relation to the acquisition of all assets of the Shang Si Ping Fattening Farm, which was wholly-owned by Jisheng, at a consideration of RMB38 million;
- (f) the termination agreement dated 24 May 2016 entered into between Hunan Huisheng Meat and Huimin in relation to the termination of the acquisition agreement dated 21 January 2016;
- (g) the termination agreement dated 24 May 2016 entered into between Huisheng Meat Products and Jisheng in relation to the termination of the acquisition agreement dated 21 January 2016;
- (h) the placing agreement dated 21 June 2016 entered into between the Company and Koala Securities Limited in relation to placing of up to 96,496,000 new Shares at the placing price of HK\$0.70 per Share on a best efforts basis; and
- (i) the Underwriting Agreement.

9. EXPERT AND CONSENT

The following is the qualification of the expert or professional adviser who have given opinion or advice contained in this Prospectus:

Name	Qualification
HLB Hodgson Impey Cheng Limited (“HLB”)	Certified Public Accountant

As at the Latest Practicable Date, HLB had given and had not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letter and report and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, HLB had no interest, either direct or indirect, in any assets which have been, since 31 December 2015, being the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to or were proposed to be acquired or disposed of by or leased to any member of the Group nor had any shareholding in any member of the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

10. EXPENSES

The expenses in connection with the Rights Issue, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$4.22 million, which are payable by the Company.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Head Office and principal place of business	Unit 8A, 8/F., Aubin House 171–172 Gloucester Road Wan Chai, Hong Kong
Registered office of the Company	Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111 Cayman Islands
Principal share registrar and transfer office	Codan Trust Company (Cayman) Limited Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands

Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong
Authorised representatives	Mr. Chan Chi Ching Unit 8A, 8/F., Aubin House 171-172 Gloucester Road Wan Chai, Hong Kong Mr. Foo Tin Chung, Victor Unit 8A, 8/F., Aubin House 171-172 Gloucester Road Wan Chai, Hong Kong
Company Secretary	Mr. Foo Tin Chung, Victor, <i>HKICPA, CPA (Aust.)</i> Unit 8A, 8/F., Aubin House 171-172 Gloucester Road Wan Chai, Hong Kong
Underwriter of the Rights Issue	Kingston Securities Limited Unit 2801, 28th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong
Auditor	HLB Hodgson Impey Cheng Limited <i>Certified Public Accountants</i> 31/F, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong
Principal bankers	China Construction Bank Corporation 28/F., CCB Tower, 3 Connaught Road Central, Central, Hong Kong

DBS Bank (Hong Kong) Limited
73/F, The Center,
99 Queen's Road Central,
Central, Hong Kong

Industrial and Commercial Bank of China
Limited
No.55, FuXingMenNei Street,
Xicheng District,
Beijing,
People's Republic of China

Huarong Xiangjiang Bank
828 Xin Yuan Capricorn Building,
South Furong Road,
Tianxin District,
Changsha,
People's Republic of China

Financial Advisor to the Company

INCU Corporate Finance Limited
Unit 1701, 17/F, Wings Building,
110–116 Queen's Road Central,
Central, Hong Kong

12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

(a) Name and address of the Directors and senior management

Executive Directors

Name	Address
Mr. Ding Biyan	Unit 8A, 8/F., Aubin House 171–172 Gloucester Road Wan Chai, Hong Kong
Mr. Chan Chi Ching	Unit 8A, 8/F., Aubin House 171–172 Gloucester Road Wan Chai, Hong Kong
Dr. Liu Ta-pei	Unit 8A, 8/F., Aubin House 171–172 Gloucester Road Wan Chai, Hong Kong

Ms. Lam Ka Lee	Unit 8A, 8/F., Aubin House 171–172 Gloucester Road Wan Chai, Hong Kong
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Independent non-executive Directors

Name	Address
Mr. Ma Yiu Ho, Peter	88 Tai Tam Reservoir Road, Hong Kong
Mr. Deng Jinping	Unit 8A, 8/F., Aubin House 171–172 Gloucester Road Wan Chai, Hong Kong
Mr. Liao Xiujian	Unit 8A, 8/F., Aubin House 171–172 Gloucester Road Wan Chai, Hong Kong
Mr. Wong King Shiu, Daniel	Unit 8A, 8/F., Aubin House 171–172 Gloucester Road Wan Chai, Hong Kong

(b) Profiles of the Directors and senior management

Executive Directors

Mr. Ding Biyan (“Mr. Ding”), aged 52, is the chairman and an executive Director of the Company, being responsible for the strategic development and planning of the Group. Mr. Ding was appointed as a Director in September 2011. Mr. Ding is the founder of the Group. Prior to establishing the Group, Mr. Ding had been an engineer of Changde No. 1 Construction Company* (常德市第一建築工程有限責任公司) (“Changde Construction”) since September 2000. In 2002, Mr. Ding established Jinda Commercial Concrete Co., Ltd* (常德市金達商品砼有限責任公司) (“Jinda Concrete”, which engaged in cement business). Mr. Ding graduated from the CPC Hunan Provincial Committee Party School* (中共湖南省委黨校), majoring in economic management with a diploma in June 2001.

Mr. Chan Chi Ching (“Mr. Chan”), aged 38, was appointed as executive Director on 7 June 2016. He has also been authorised representative of the Company since 24 November 2016. Mr. Chan has extensive experience and network in media and public relations industries. He had more than 10 years of experience in editorial and management in Apple Daily Limited, a major media in Hong Kong. He is currently a director of a financial public relation firm.

Dr. Liu Ta-pei (“Dr. Liu”), aged 65, was appointed as executive Director on 16 June 2016. Dr. Liu graduated from Chung-Hsing University in Taiwan. After graduation, he continued his studies in Cheng-Chi University, Taiwan and the University of Southern California, U.S.A. and obtained Master of Science and MBA degrees respectively. He was then conferred his Doctoral degree in public administration from the University of La Verne, U.S.A. and Doctoral degree in Finance from Shanghai University of Finance and Economics. Apart from his strong educational background, Dr. Liu has been active in the financial field for more than 20 years. He is currently the director of Mega Financial Holding Company Limited (Stock Code: 2886.TW, a company listed and traded on the Taiwan Stock Exchange), also a member of the Taiwan KMT Central Standing Committee. He had also been the director respectively of Universal Chinese Securities Finance Co. Ltd., Hung-Hsin Bill Co. Ltd., and Central Investment Holding Company and the chairman of Jen Hua Investment Holding Company. Dr. Liu had served China Development Industry Bank, one of the top management of Taiwan’s largest Investment Banks. Dr. Liu had been the chief executive officer and an executive director of the Core Pacific Yamaichi Group. Because of his outstanding contribution in the financial field, Dr. Liu was awarded Bronze Bauhinia Star in Hong Kong in 2013, and was ranked as one of the ‘Top Ten Intelligent Financial Personnel in Greater China’. He was conferred the ‘Best Integrity Award’ in 2008 and was granted the honour of ‘Golden Peak Award of Outstanding Corporation Leaders in Taiwan’ in 1998.

Ms. Lam Ka Lee (“Ms. Lam”), aged 33, was appointed as executive Director of the Company on 16 June 2016. Ms. Lam holds a Bachelor of Business Accounting degree from Swinburne University of Technology. Ms. Lam has broad working experience in investment banks and in the financial field. She has been working in various renowned international financial institutions including ABN AMRO Clearing HK Ltd, Barclays Capital, Bank of America Merrill Lynch and ANZ Banking.

Independent non-executive Directors

Mr. Ma Yiu Ho, Peter (“Mr. Ma”), aged 52, was appointed as independent non-executive Director on 11 February 2014. He is currently the financial controller of Chyau Fwu Properties Limited, a company principally engaged in property development and hospitality. He has been a member of the Hong Kong Institute of Certified Public Accountants since February 1990 and a fellow member of the Association of Chartered Certified Accountants (UK) since April 1994. Mr. Ma obtained a master degree of business administration from the Hong Kong University of Science and Technology in November 1995. He is also an associate member of the Hong Kong Institute of Directors. He has over 20 years of experience in the finance and accounting field. Mr. Ma is currently an independent non-executive director, the chairman of the audit committee, and the member of the remuneration committee and nomination committee of TEM Holdings Limited (stock code: 8346) since April 2016 and an independent non-executive director and the chairman of the audit committee of Royal Catering Group Holdings Company Limited (stock code: 8300) since July 2016, both are listed companies on the

Growth Enterprise Market of the Stock Exchange. He is also an independent non-executive director and chairman of the audit committee of Convoy Global Holdings Limited (stock code: 1019) and China Packaging Holdings Development Limited (stock code: 1439) since March 2010 and December 2013 respectively, both are listed companies on the Main Board of the Stock Exchange. Mr. Ma was an independent non-executive director of China Ocean Fishing Holdings Limited (Former Name: Sky Forever Supply Chain Management Group Limited) (stock code: 8047), a listed company on the Growth Enterprise Market of the Stock Exchange, from July 2014 to May 2015.

Mr. Deng Jinping (“Mr. Deng”), aged 53, was appointed as independent non-executive Director on 11 February 2014. He has been a post doctoral fellow and tutor of the College of Animal Science and Technology of Hunan Agricultural University* (湖南農業大學動物科學技術學院), and an assistant tutor, lecturer, deputy professor and tutor of master students of Jiangxi Agricultural University* (江西農業大學). Mr. Deng obtained his doctorate degree in production and application of feed crops from Hunan Agricultural University* (湖南農業大學) in December 2007.

Mr. Liao Xiujian (“Mr. Liao”), aged 49, was appointed as independent non-executive Director on 11 February 2014. He is currently a professor of Southwest University of Political Science & Law* (西南政法大學). Mr. Liao joined the social science department of Hunan Agricultural University* (湖南農業大學) in October 2001 and became a professor in November 2010. Mr. Liao obtained his doctorate degree in management from Huazhong Agricultural University* (華中農業大學) in January 2007.

Mr. Wong King Shiu, Daniel (“Mr. Wong”), aged 57, was appointed as independent non-executive Director on 7 June 2016. Mr. Wong has over 13 years of experience in natural resources industry and served as an executive director in a various natural resources company which is listed in Hong Kong. He also has extensive experience in the management and development of natural resources projects in China. He is currently an executive director of China Baoli Technologies Holdings Limited (Stock Code: 164), a company listed on the main board of the Stock Exchange. He was also a former executive director of China Oil And Gas Group Limited (“China Oil And Gas Group”) (Stock Code: 603) from January 2002 to 30 August 2006. Pursuant to the listing enforcement notice/announcement of the Stock Exchange dated 16 October 2008, Mr. Wong, together with another former director of China Oil And Gas Group, had admitted breaching the directors’ declaration, undertaking and acknowledgement with regard to directors given by each of them to the Stock Exchange in the form set out in Appendix 5B to the Listing Rules in failing to use their best endeavours to procure China Oil And Gas Group’s compliance with the Listing Rules in relation to the failure of China Oil And Gas Group to publish its annual results and annual report for the year ended 31 July 2005 by 30 November 2005 and the interim results and interim report for the six months ended 31 January 2006 by 30 April 2006. Accordingly, the Listing Committee of the Stock Exchange publicly criticised Mr. Wong and another former director of China Oil And Gas Group for their respective breaches mentioned above.

13. MISCELLANEOUS

- (a) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (b) The English text of this Prospectus and the accompanying form of proxy shall prevail over the respective Chinese text in the case of inconsistency.

14. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Rights Issue Documents, having attached thereto the written consent referred to under the paragraph headed “Expert and consent” in this appendix, have been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of the Companies (Winding up and Miscellaneous Provisions) Ordinance.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours on any weekday (except public holidays) at the principal place of business of the Company in Hong Kong at Unit 8A, 8/F., Aubin House, 171–172 Gloucester Road, Wan Chai, Hong Kong from the date of this Prospectus up to and including the date of the Latest Time of Termination:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the three years ended 31 December 2013, 2014 and 2015;
- (c) the interim report of the Company for the six months ended 30 June 2016;
- (d) the letter from HLB Hodgson Impey Cheng Limited, the reporting accountants, in respect of the unaudited pro forma statement of the adjusted consolidated net tangible assets of the Group, the text of which is set out in appendix II to this Prospectus;
- (e) the written consent of HLB Hodgson Impey Cheng Limited referred to in the paragraph headed “Experts and consents” to this appendix;
- (f) the material contracts referred to in the paragraph headed “Material contracts” to this appendix;
- (g) this Prospectus, the PAL and the EAF; and
- (h) the Irrevocable Undertaking.