

**THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

If you have sold or transferred all your shares in Ming Fung Jewellery Group Limited (the “Company”), you should at once hand this prospectus and the accompanying form of proxy to the purchaser, the transferee or to the bank, licensed securities dealer, registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

A copy of each of the Prospectus Documents, together with the written consent referred to in the paragraph headed “Expert and Consent” in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. Neither the Securities and Futures Commission nor the Registrar of Companies in Hong Kong takes any responsibility as to the contents of any of the Prospectus Documents.

The Prospectus Documents may be extended to the Shareholder residing in Maritius for information only, it is not to be relied upon for sale or marketing of the Offer Shares in Maritius.

Subject to the grant of the listing of and permission to deal in the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares 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 settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

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



**MING FUNG JEWELLERY GROUP LIMITED**

**明豐珠寶集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 860)**

**(1) OPEN OFFER OF 2,183,013,646 OFFER SHARES  
AT THE SUBSCRIPTION PRICE OF HK\$0.08 EACH  
ON THE BASIS OF ONE OFFER SHARE FOR  
EVERY TWO SHARES HELD ON THE RECORD DATE;  
AND  
(2) CHANGE OF BOARD LOT SIZE**

**Financial adviser to the Company**



**國泰君安國際**  
GUOTAI JUNAN INTERNATIONAL

**Guotai Junan Capital Limited**

**Underwriter of the Open Offer**



**國泰君安國際**  
GUOTAI JUNAN INTERNATIONAL

**Guotai Junan Securities (Hong Kong) Limited**

It should be noted that the Underwriting Agreement contains provisions granting the Underwriter the right to terminate the obligations of the Underwriter thereunder on the occurrence of certain events. These certain events are set out in the section headed “Termination of the Underwriting Agreement” on pages 7 and 8 of this prospectus. If the Underwriting Agreement is terminated by the Underwriter or does not become unconditional on or before Monday, 7 April 2014, the Open Offer will not proceed.

The latest time for acceptance of and payment for the Offer Shares is at 4:00 p.m. on Wednesday, 2 April 2014. The procedure for application and payment for the Offer Shares are set out on pages 14 and 15 of this prospectus.

The Open Offer is conditional, inter alia, upon the fulfillment of the conditions set out under the section headed “Conditions of the Open Offer” of this prospectus. In particular, the Open Offer is subject to the Underwriters not terminating the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Open Offer may or may not proceed. Shareholders or other persons contemplating selling or purchasing Shares up to the date when the conditions of the Open Offer are fulfilled will bear the risk that the Open Offer may not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.

\* for identification purpose only

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## DEFINITIONS

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

“acting in concert”	has the meaning ascribed thereto under the Hong Kong Code on Takeovers and Mergers
“Announcement”	the announcement of the Company dated 26 February 2014 in relation to, among other things, the Open Offer and the Underwriting Agreement
“Application Form(s)”	the form(s) of application in respect of the Open Offer to be issued to the Qualifying Shareholders
“associate(s)”	has the same meaning ascribed to it in the Listing Rules
“Board”	the board of the Directors
“Business Day”	a day (excluding Saturday and other general holidays in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning is hoisted or remains hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	Ming Fung Jewellery Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares are listed on the main board of the Stock Exchange (stock code: 860)
“Completion”	completion of the Open Offer
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

## DEFINITIONS

“Last Trading Day”	25 February 2014, being the last trading day of the Shares on the Stock Exchange before the release of the Announcement
“Latest Practicable Date”	14 March 2014, being the latest practicable date prior to the date of this prospectus for the purpose of ascertaining certain information referred to in this prospectus
“Latest Time for Acceptance”	4:00 p.m. on 2 April 2014 (or such other date as the Underwriter may agree with the Company as the latest date for acceptance of, and payment for, the Offer Shares)
“Latest Time for Termination”	4:00 p.m. on the third Business Day after (but excluding) the Latest Time for Acceptance
“Listing Committee”	has the meaning attributed to that term in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) in respect of whom the Directors, based on legal opinions provided by the legal advisers, consider it necessary or expedient not to offer the Offer Shares to such Overseas Shareholder(s) on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Offer Share(s)”	the Shares proposed to be issued and allotted under the Open Offer, being not more than 2,183,013,646 Shares
“Open Offer”	the proposed issue by way of an open offer, subject to the fulfillment of certain conditions precedent, of 2,183,013,646 Offer Shares for subscription by the Qualifying Shareholders on the basis of one (1) Offer Share for every two (2) existing Shares held by a Qualifying Shareholder on the Record Date for the Offer Shares at the Subscription Price payable in full on application and otherwise on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“PRC”	The People’s Republic of China

## DEFINITIONS

“Prospectus Documents”	this Prospectus and the Application Form
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	18 March 2014 (or such other date as the Underwriter may agree with the Company), as the date by reference to which entitlements to the Open Offer are expected to be determined
“Registrar”	Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong (which will be relocated to Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong with effect from 31 March 2014)
“Settlement Date”	Monday, 7 April 2014, being the third Business Day following (but excluded) the Latest Time for Acceptance (or such other time or date as the Underwriter and the Company may agree in writing) as the date for settlement of the Open Offer
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued and unissued capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.08 per Offer Share
“Substantial Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Sub-Underwriter(s)”	the sub-underwriter(s) who has agreed to act as a sub-underwriter in relation to the Offer Shares pursuant to the sub-underwriting agreement with the Underwriter
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“Underwriter”	Guotai Junan Securities (Hong Kong) Limited, a licensed corporation to carry out business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO

## DEFINITIONS

“Underwriting Agreement”	the underwriting agreement dated 25 February 2014 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer
“Underwritten Shares”	2,183,013,646 Offer Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%” or “per cent.”	percentage or per centum

## EXPECTED TIMETABLE

The expected timetable for the Open Offer set out below is indicative only. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

<b>Event</b>	<b>2014 (Hong Kong time)</b>
Despatch of the Prospectus Documents . . . . .	Wednesday, 19 March
Latest time for acceptance of and payment for the Offer Shares . . . . .	4:00 p.m. on Wednesday, 2 April
Latest time for Termination of the Underwriting Agreement by the Underwriter . . . . .	Monday, 7 April
Announcement of results of acceptance of the Open Offer . . . . .	Wednesday, 9 April
Despatch of certificates for Offer Shares . . . . .	Thursday, 10 April
Despatch of refund cheques if the Open Offer is terminated . . . . .	Thursday, 10 April
Commencement of dealings in Offer Shares . . . . .	Friday, 11 April
Effective date of change in board lot size from 10,000 Shares to 30,000 Shares . . . . .	Friday, 11 April
Designated broker starts to stand in the market to provide matching services for odd lot of Shares . . . . .	9:00 a.m. on Friday, 11 April
Last day for the designated broker to stand in the market to provide matching services for odd lot of Shares . . . . .	4:00 p.m. on Wednesday, 7 May

<b>EXPECTED TIMETABLE</b>
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**EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES**

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

- i. in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Wednesday, 2 April 2014. Instead the latest time for acceptance of and payment for the Offer Shares will be extended to 5:00 p.m. on the same business day;
- ii. in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Wednesday, 2 April 2014. Instead the latest time of acceptance of and payment for the Offer Shares will be rescheduled to 4:00 p.m. on the following business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Offer Shares does not take place on Wednesday, 2 April 2014, the dates mentioned in the “Expected timetable” section may be affected. The Company will notify shareholders by way of announcements on any change to the expected timetable as soon as practicable.



## TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriting Agreement contains provisions granting the Underwriter, by notice in writing to the Company, the right to terminate the Underwriter's obligations thereunder on the occurrence of certain events. The Underwriter may terminate the Underwriting Agreement on or before the Latest Time for Termination if anytime on or before the Latest Time for Termination:

- (i) any material breach of any warranties or the undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter, or there has been a material breach on the part of the Company of any other provision of the Underwriting Agreement or any matter has arisen which would reasonably be expected to give rise to such a material breach or material claim in respect of the warranties or undertakings contained in the Underwriting Agreement; or
- (ii) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) which would 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 Open Offer after the signing of the Underwriting Agreement; or
- (iii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing of the Underwriting Agreement), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which would materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (iv) any materially adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of the Group as a whole which is material in the context of the Open Offer; or
- (v) any event or circumstances in the nature of force majeure including but without limitation any act of God, war, riot, public disorder, civil commotion, fire, flood, terrorism or strike occurred after the signing of the Underwriting Agreement in or affecting Hong Kong, the People's Republic of China or other jurisdiction relevant to the Group or any member of the Group which would materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (vi) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which is or might be material to the Group taken as a whole; or
- (vii) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Share generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or

## TERMINATION OF THE UNDERWRITING AGREEMENT

- (viii) there is any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the People's Republic of China or other jurisdiction relevant to the Group or any member of the Group); or
- (ix) any statement contained in the Prospectus has become and been discovered to be untrue, incorrect, incomplete or misleading in any material aspect, or matters have arisen or have been discovered which would, if the Prospectus was to be issued at the time, constitute a material omissions therefrom,

the effect of which events and circumstances individually or in aggregate (in the reasonable opinion of the Underwriter after consultation with the Company): (a) is or would be reasonably likely to be materially adverse to, or prejudicially affects or would be reasonably likely to prejudicially affect, the Group as a whole or the Open Offer; or (b) makes it inadvisable or inexpedient to proceed with the Open Offer, 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.

**If the Underwriting Agreement is terminated by the Underwriter on or before the aforesaid deadline or does not become unconditional on or before the Latest Time for Termination, the Open Offer will not proceed. An announcement will thereafter be made by the Company.**



**MING FUNG JEWELLERY GROUP LIMITED**

**明豐珠寶集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 860)**

*Executive Directors:*

Mr. Wong Chi Ming, Jeffrey

Mr. Yu Fei, Philip

*Independent non-executive Directors:*

Mr. Jiang Chao

Ms. Chu Wai Fan

Mr. Tam Ping Kuen, Daniel

*Registered office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place of  
business in Hong Kong:*

Room 1825, 18th Floor

Hutchison House

10 Harcourt Road, Central

Hong Kong

19 March 2014

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

Dear Sir or Madam,

**(1) OPEN OFFER OF 2,183,013,646 OFFER SHARES  
AT THE SUBSCRIPTION PRICE OF HK\$0.08 EACH  
ON THE BASIS OF ONE OFFER SHARE FOR  
EVERY TWO SHARES HELD ON THE RECORD DATE;  
AND  
(2) CHANGE OF BOARD LOT SIZE**

**INTRODUCTION**

Reference is made to the Announcement in relation to, among others, the proposed Open Offer in the proportion of one (1) Offer Share for every two (2) existing Shares held on the Record Date.

\* for identification purpose only

## LETTER FROM THE BOARD

The purpose of this prospectus is to provide you with further information on, among other things, the Open Offer, including the Underwriting Agreement, information on procedures for application and payment, and certain financial information and other information in respect of the Group.

### TERMS OF THE OPEN OFFER

#### Issue statistics

Basis of the Open Offer	One (1) Offer Shares for every two (2) Shares held on the Record Date
Subscription price	HK\$0.08 per Offer Share
Number of Shares in issue as at the Latest Practicable Date	4,366,027,293 Shares
Number of Offer Shares	2,183,013,646 Offer Shares with an aggregate nominal value of HK\$21,830,136.46
Amount to be raised by the Open Offer	Approximately HK\$174.6 million (before expenses)
Basis of entitlement	Offer Shares will be allotted in the proportion of one (1) Offer Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date. No Offer Share will be offered to the Non-Qualifying Shareholders
Right of excess application	No Qualifying Shareholder is entitled to apply for any Offer Shares which are in excess to his/her/its entitlement
Underwriter	Guotai Junan Securities (Hong Kong) Limited
Number of Underwritten Shares	2,183,013,646 Offer Shares
Number of Shares in issue upon completion of the Open Offer	6,549,040,939 Shares

As at the date of Latest Practicable Date, the Company had no outstanding derivatives, options, warrants and conversion rights or other similar rights which were convertible or exchangeable into Shares.

The number of Offer Shares in aggregate of 2,183,013,646 Shares to be allotted and issued represents (i) approximately 50.00% of the existing issued share capital of the Company; and (ii) approximately 33.33% of the issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares immediately after Completion.

## LETTER FROM THE BOARD

### Subscription Price

The subscription price per Offer Share was arrived at after arm's length negotiation between the Company and the Underwriter under prevailing market conditions and the financial position of the Company. As the Offer Shares are offered to all Qualifying Shareholders, the Directors wish to set the Subscription Price at a level that will attract Qualifying Shareholders to participate in the Open Offer. Each Qualifying Shareholder is entitled to subscribe for Offer Shares at the same price in proportion to his/her/its shareholding in the Company on the Record Date. The Directors (including the independent non-executive Directors) consider that the terms of the Open Offer, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The subscription price of HK\$0.08 per Offer Share is payable in full upon application.

The subscription price per Offer Share represents:

- (i) a discount of approximately 57.9% to the closing price of HK\$0.19 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 47.8% to the average closing price of HK\$0.1532 per Share for the last five consecutive trading days quoted on the Stock Exchange up to and including the Last Trading Day;
- (iii) a discount of approximately 47.7% to the theoretical ex-entitlement price of approximately HK\$0.153 per Share based on the closing price of HK\$0.19 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (iv) a discount of approximately 38.0% to the closing price of HK\$0.129 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

### Conditions of the Open Offer

The Open Offer is subject to the Underwriting Agreement having become unconditional and not being terminated in accordance with its terms. In addition, the Open Offer is conditional upon the following conditions precedent being fulfilled:

- (i) the delivery to the Stock Exchange and the Registrar of Companies one copy of the Prospectus Documents each duly signed by two directors of the Company (or by their authorised agents) in accordance with the relevant requirements under section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance and otherwise in compliance with the Listing Rules and the Companies Ordinance;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders;

## LETTER FROM THE BOARD

- (iii) the Listing Division 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 Offer Shares on their fully paid forms;
- (iv) compliance by the Company with its obligations in connection with the making of the Open Offer and allotment and offer of the Offer Shares by the times specified in the Underwriting Agreement;
- (v) (a) the Shares remaining listed on the Stock Exchange at all times prior to the Settlement Date and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than three trading days (other than pending publications of announcements, circulars or the Prospectus in respect of the Open Offer); and (b) no indication being received before 4:00 p.m. on the Settlement Date from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) (other than pending publications of announcements in respect of the Open Offer); and
- (vi) by the Latest Time for Termination, (a) no material breach of any of the warranties or the undertakings referred to in the Underwriting Agreement having come to the knowledge of the Underwriter; and (b) a matter not having arisen which would reasonably be expected to give rise to a material breach or a material claim.

In the event that any of the conditions has not been satisfied and/or waived (where applicable) in whole or in part by the Underwriter pursuant to the terms of the Underwriting Agreement and being no later than 4:00 p.m. on the Settlement Date, all obligations and liabilities of the parties to the Underwriting Agreement shall cease and determine and no party thereto shall have any claim against the other parties save for any antecedent breach of the Underwriting Agreement.

If the Underwriting Agreement is terminated, the Open Offer will not proceed.

### **Status of the Offer Shares**

The Offer Shares, when allotted and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of their respective allotment and issue (as the case may be).

### **Fractional entitlements to the Offer Shares**

Fractional entitlements to the Offer Shares will not be issued to the Qualifying Shareholders but will be aggregated and taken up by the Underwriter. The Company will not allot any fractions of the Offer Shares.

## LETTER FROM THE BOARD

### **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares will be subject to the payment of stamp duty, Stock Exchange trading fee and any other applicable fees and charges in Hong Kong.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought.

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

The board lot size for trading of the Offer Shares is 30,000.

### **Qualifying Shareholders**

The Open Offer is only available to the Qualifying Shareholders. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company on the Record Date and not be a Non-Qualifying Shareholder.

In order to be registered as members of the Company on the Record Date, Shareholders must have lodged any transfers of the Shares (with the relevant share certificate(s)) with the Registrar at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong on or before 4:30 p.m. on Wednesday, 12 March 2014. The last day of dealings in the Shares on a cum-entitlement basis is Monday, 10 March 2014. The Shares have been dealt with on an ex-entitlement basis from Tuesday, 11 March 2014.

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

The invitation to subscribe for the Offer Shares to be made to the Qualifying Shareholders will not be transferable or capable of renunciation and there will not be any trading in the assured entitlements on the Stock Exchange.

## LETTER FROM THE BOARD

### **Certificates of the Offer Shares and refund cheques**

Subject to the fulfillment of the conditions precedent as set out in the section headed “Conditions of the Open Offer” in this prospectus, share certificates for all fully-paid Offer Shares are expected to be posted on or before Thursday, 10 April 2014 by ordinary mail to the Qualifying Shareholders who have validly accepted and applied for (where appropriate), and paid for the Offer Shares by 4:00 p.m. on Wednesday, 2 April 2014 at their own risk. If the Open Offer is terminated, refund cheques will be despatched on or before Thursday, 10 April 2014 by ordinary post at the respective Shareholders’ own risk.

### **Overseas Shareholders and Rights of Non-Qualifying Shareholder**

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. If there are any Overseas Shareholders at the close of business on the Record Date, such Overseas Shareholders may or may not be eligible to take part in the Open Offer.

Based on the register of members of the Company on the Record Date, the Company had one Overseas Shareholder whose address is in Mauritius holding 215,000,000 Shares.

The Directors have, in compliance with Rule 13.36(2)(a) of the Listing Rules, made enquiries regarding the feasibility of extending the Open Offer to the Overseas Shareholder taking into consideration the applicable securities legislation of Mauritius or the requirements of the relevant regulatory body or stock exchange in Mauritius for the issue of Open Offer to the Overseas Shareholder.

The Directors have been advised that all offers and sales of securities in Mauritius must be registered with the Financial Services Commission in Mauritius. The Directors consider that it would be onerous for the Company to comply with all the legal requirements in Mauritius to extend the Open Offer to such Overseas Shareholder. The Company will send this prospectus to this Non-Qualifying Shareholder for his information only.

### **Procedure for acceptance and payment for the Offer Shares**

For each Qualifying Shareholder, an Application Form is enclosed with this prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Offer Shares shown thereon. If the Qualifying Shareholder(s) wish(es) to exercise his/their rights to subscribe for all the Offer Shares provisionally allotted to him/them, he/they must lodge the Application Form(s) in accordance with the instructions printed thereon, together with the remittance for the full amount payable on acceptance, with the Share Registrar at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong (which will be relocated to Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong with effect from 31 March 2014), by no later than 4:00 p.m. on Wednesday, 2 April 2014 or such later time and/or date as may be agreed between the Company and the Underwriter.



## **LETTER FROM THE BOARD**

All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with or banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "**MING FUNG JEWELLERY GROUP LIMITED — PAL ACCOUNT**" and must be crossed "Account Payee Only".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Wednesday, 2 April 2014, that assured allotments and all rights thereunder will be deemed to have been declined and will be cancelled.

The Application Form contains full information regarding the procedures to be followed if you wish to apply for a number of Offer Shares different from your assured allotments. The Application Form is for use only by the person(s) named therein and is not transferable.

All cheques or banker's cashier orders will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Any application in respect of which the cheque or banker's cashier order is dishonoured on first presentation is liable to be rejected, and in that event the assured allotments and all rights thereunder will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any Application Form and of any application monies received.

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms by the Latest Time for Termination, the application monies will be refunded, without interest, by sending a cheque made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed "Account Payee Only", to be despatched by ordinary post to their registered addresses and, in the case of joint applicants, to the registered address of the applicant whose name first appears on the register of members of the Company at the risk of such applicants as soon as practicable thereafter.

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

### **No application for excess Offer Shares**

No application for excess Offer Shares will be available to any Qualifying Shareholders to apply for any Offer Share in excess of their respective assured entitlements since each Qualifying Shareholder will be given equal and fair opportunities to participate in the Company's future development by subscribing for his/her/its assured entitlements under the Open Offer and if an application for excess Offer Shares is arranged, the Company would be required to put in additional efforts and costs to administer the excess application procedures, which is not cost-effective.

Any Offer Shares not taken up by Qualifying Shareholders, any Offer Shares created by aggregation of fractional Offer Shares and any Offer Shares which the Non-Qualifying Shareholders would otherwise have been entitled (if any) will be taken up by the Underwriter.

## LETTER FROM THE BOARD

### Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding or dealing in the Offer Shares. It is emphasized that none of the Company, its Directors or any other parties involved in the Open Offer accept responsibility for any tax effects or liability of holders of the Offer Shares resulting from holding or disposal of, or dealing in of the Offer Shares.

### UNDERWRITING AGREEMENT

Date 25 February 2014

Underwriter Guotai Junan Securities (Hong Kong) Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons

Number of Shares to be underwritten The Underwriter has conditionally agreed pursuant to the Underwriting Agreement to underwrite the Offer Shares not subscribed by the Qualifying Shareholders on a fully underwritten basis, 2,183,013,646 Offer Shares, subject to the terms and conditions of the Underwriting Agreement

Commission 1.0% of the aggregate Subscription Price of the Underwritten Shares as determined on the Record Date

The commission rate was determined after arm's length negotiation between the Company and the Underwriter by reference to the existing financial position of the Company, the size of the Open Offer, and the current and expected market conditions. The Board considers the terms of the Underwriting Agreement including the commission rate are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

In the event that the Underwriter is required to take up the Underwritten Shares pursuant to their underwriting:

- (i) the Underwriter together with its respective parties acting in concert, will not own 30.00% or more of the issued share capital of the Company immediately after the Open Offer; and
- (ii) the Underwriter shall take up such number of Offer Shares and take relevant actions as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with.

## LETTER FROM THE BOARD

### REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in (i) the export of manufactured jewellery products and writing instruments; (ii) trading of jewellery products and watches; and (iii) mining, exploration and sale of gold resources.

Based on the Subscription Price in the sum of HK\$0.08 and assuming no change in the shareholding structure of the Company from the Latest Practicable Date to immediately after completion of the Open Offer, the gross proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$174.6 million (before expenses). The net proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$172.1 million (after expenses). The Group intends to apply the net proceeds from the Open Offer for general working capital of the Group to enhance financial position for the development of its jewellery trading business and product portfolio and the future investments opportunities of the Group if suitable activities identify. The Group is the exclusive distributor of various luxury brands' timepiece and jewellery items, and will continue to look for business opportunities from other fine jewellery brands and expand its PRC retail outlets. The Group is negotiating the distributorship with several famous jewellery and watch brands, the working capital use for the cost of the goods, marketing and outlet expansion are expected to increase accordingly. It is expected that the net proceeds from the Open Offer will provide additional working capital for the Group to support its expansion of business scale.

The Board considers that it is prudent to finance the Group's long-term growth by long-term financing, preferably in the form of equity. The Board also believes that the Open Offer will enable the Group to strengthen its capital base and to enhance its financial position. The Open Offer will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Group. Accordingly, the Board considers that fund raising through the Open Offer is in the interests of the Company and the Shareholders as a whole.

### WARNING OF THE RISKS OF DEALING IN SHARES

**The Open Offer is conditional upon, inter alia, the fulfillment of the Conditions Precedent set out under the paragraph headed "Conditions of the Open Offer" in this prospectus. Therefore, the Open Offer may or may not proceed. Any dealings in the Shares up to the date on which all the Conditions Precedent are fulfilled will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating dealings in the Shares are recommended to consult their own professional advisers. Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares.**

## LETTER FROM THE BOARD

### CHANGES IN SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company assuming that there is no change in the shareholding structure of the Company from the Latest Practicable Date to immediately after completion of the Open Offer:

	As at the Latest Practicable Date		Immediately after completion of Open Offer assuming all Qualifying Shareholders take up their respective entitlements under the Open Offer		The Underwriter takes up all the Offer Shares in accordance with its underwriting commitment under the Underwriting Agreement	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
<i>Director</i>						
Mr. Wong Chi Ming, Jeffry (Note 1)	295,025,799	6.76	442,538,698	6.76	295,025,799	4.50
<i>Substantial Shareholders</i>						
Hengdeli Holdings Limited (Note 2)	666,666,667	15.27	1,000,000,000	15.27	666,666,667	10.18
Underwriter and Sub-underwriters (Note 3)	—	—	—	—	2,183,013,646	33.34
Public Shareholders	3,404,334,827	77.97	5,106,502,241	77.97	3,404,334,827	51.98
Total	4,366,027,293	100	6,549,040,939	100	6,549,040,939	100

*Notes:*

1. The interest disclosed represents the 295,025,799 Shares held by Equity Base Holdings Limited, a company incorporated in the British Virgin Islands which is wholly owned by Mr. Wong Chi Ming, Jeffry by virtue Section 334(3) of the SFO. Ms. Liu Ching Han, Magda, the spouse of Mr. Wong Chi Ming, Jeffry is deemed to be interested in these shares under the SFO. All the interests disclosed above represent long positions in the shares of the Company.
  
2. Alpha Key Investments Limited is a controlled corporation of Hengdeli Holdings Limited which is deemed to be interested in the same parcel of shares. All the interests disclosed above represent long positions in the shares of the Company.
  
3. This scenario is for illustration purpose only. The Underwriter shall not subscribe, for its own account, for such number of untaken Shares which will result in the shareholding of its and parties acting in concert with it (within the meaning of the Takeovers Code) in the Company to own 30% or more of the voting rights of the Company upon completion of the Open Offer; and pursuant to the Underwriting Agreement, the Underwriter shall use its best endeavours to ensure that (i) each of the Sub-Underwriters and independent placees and/or subscribers procured by any of them shall be third party independent placees and/or subscribers procured by any of them shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Directors of the Company or substantial shareholders or their respective associates; and (ii) save for the Underwriter itself and its associates, each of the independent placees procured by the Sub-Underwriters shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with them, hold 10% or more of the voting rights of the Company upon completion of the Open Offer.

**The Company will take all reasonable steps to monitor the public float of the Company from time to time.**

## LETTER FROM THE BOARD

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Open Offer are subject to various factors including the results of the acceptance of the Open Offer. Further announcement will be made by the Company in accordance with the Listing Rules following the completion of the Open Offer upon which the Offer Shares are allotted and issued.

### FUND RAISING ACTIVITIES OF THE COMPANY WITHIN 12 MONTHS TO THE LATEST PRACTICABLE DATE

The Company did not conduct any fund raising activity in the past 12 months immediately preceding the Latest Practicable Date.

### IMPLICATIONS UNDER THE LISTING RULES

There is no requirement under the Listing Rules for the Open Offer to be approved by the Shareholders in a general meeting.

### CHANGE IN BOARD LOT SIZE

The Shares are currently traded in board lots of 10,000 Shares each and the market value of each board lot is HK\$1,900 (based on the closing price of HK\$0.19 per Share as quoted on the Stock Exchange on the Last Trading Date). In order to increase the value of each board lot of the Shares so that the value of each board lot of the Shares will not be less than HK\$2,000, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposes to change the board lot size for trading of the Shares from 10,000 Shares to 30,000 Shares with effect from Friday, 11 April 2014. Based on the theoretical ex-entitlement price of the Shares of HK\$0.153 with reference to the closing price on the Last Trading Date, the new estimated board lot value would be approximately HK\$4,590.

The change in board lot size will not result in any change the relative rights of the Shareholders. The Board is of the opinion that the change in board lot size is in the interests of the Company and its Shareholders as a whole.

To alleviate the difficulties in trading odd lots of the Shares arising from the change in board lot size of the Shares, the Company has appointed Guotai Junan Securities (Hong Kong) Limited as an agent to provide matching services to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from Friday, 11 April 2014 to Wednesday, 7 May 2014 (both days inclusive). Holders of the Shares in odd lots represented by the existing share certificates for the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full new board lot may directly or through their broker contact Mr. Simon Lou of Guotai Junan at 27/F, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong (telephone: (852) 2509 7519) during such period. Holders of the Shares in odd lots should note that successful matching of the sale purchase of odd lots of the Shares is not guaranteed. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility.

## LETTER FROM THE BOARD

All existing share certificates in board lot of 10,000 Shares will continue to be evidence of entitlement to the Shares and be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing Shareholders will be issued as a result of the change in board lot size, and therefore no arrangement for free exchange of existing share certificates in board lot size of 10,000 Shares to new share certificates in board lot size of 30,000 Shares is necessary. With effect from Friday, 11 April 2014 any new certificate of the Shares will be issued in new board lot size of 30,000 shares (except for odd lots or where the Shareholder(s) otherwise instruct(s)). Save and except for the change in the number of Shares for each board lot, new certificates of Shares will have the same format and colour as the existing certificates of Shares.

### ADDITIONAL INFORMATION

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

On behalf of the Board  
**Ming Fung Jewellery Group Limited**  
**Mr. Wong Chi Ming, Jeffrey**  
*Executive Director*

## 1. THREE YEARS' SUMMARY OF FINANCIAL RESULTS

Financial information of the Group for each of the three years ended 30 September 2011, 30 September 2012 and 30 September 2013 are disclosed in the following documents which have been published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.mingfung.com>):

- annual report of the Company for the year ended 30 September 2011 published on 10 January 2012 (page 31 to 88).
- annual report of the Company for the year ended 30 September 2012 published on 16 January 2013 (page 29 to 96).
- annual report of the Company for the year ended 30 September 2013 published on 29 January 2014 (page 28 to 88).

## 2. INDEBTEDNESS STATEMENT

### Borrowings

At the close of business on 31 January 2014, being the latest practicable date prior to the printing of this indebtedness statement, the Group had outstanding unsecured bank loans of approximately HK\$64,100,000 and unsecured other loans of approximately HK\$35,476,000.

### Security and guarantees

At the close of business on 31 January 2014, there were no charges against the Group's assets.

### Commitments

At the close of business on 31 January 2014, the Group had total future minimum lease payments under non-cancelable operating leases in respect of rented premises amounting to approximately HK\$2,337,000.

Save as aforesaid and apart from intra-group liabilities and normal trade payables, the Group did not, at the close of business on 31 January 2014, have outstanding any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, finance lease or hire purchases commitments, guarantees or other material contingent liabilities.

## 3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account (i) the internal resources of the Group; (ii) the Group's presently available loan facilities; and (iii) the estimate net proceeds from the Open Offer, the Group has sufficient working capital for its present requirements, that is, for at least the next twelve months following the date of this prospectus.

**4. NO MATERIAL ADVERSE CHANGE**

The Directors confirm that, as at the Latest Practicable Date, save as regards the transactions contemplated under the Open Offer and the transactions contemplated under the Underwriting Agreement, there was no material adverse change in the financial or trading position of the Group since 30 September 2013, being the date to which the latest published audited consolidated financial statements of the Group were made up.

**5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

The luxury goods market in Mainland China is experiencing a significant downturn due to the restrict government spending along with the global economy volatility and turmoil. The Group's strategic in the high-end fine jewellery market was seriously affected by all of these unfavourable factors, thus weakening the financial performance. The Group is the exclusive distributor of various luxury brands' timepiece and jewellery items, and will continue to look for business opportunities from other fine jewellery brands and expand its PRC retail outlets. We believe the China luxury goods market will continue to be challenging and severe in the coming year. The Group will look for new opportunity to cope with existing market environment and constantly review the business strategy in a cautious manner.

The Group is negotiating the distributorship with several famous jewellery and watch brands and it is expected that the net proceeds from the Open Offer will provide additional working capital for the Group to support its expansion of business scale. For details, please refer to the section headed "Reasons for the Open Offer and Use of Proceeds" on page 17 of this prospectus.



**I. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS**

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group which has been prepared to illustrate the effect of the Open Offer on the consolidated net tangible assets of the Group as if the Open Offer had been completed on 30 September 2013. The unaudited pro forma statement of adjusted consolidated net tangible assets 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 upon completion of the Open Offer.

	<b>Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 September 2013 HK\$'000 (Note 1)</b>	<b>Estimated net proceeds from the Open Offer HK\$'000 (Note 2)</b>	<b>Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company after the Open Offer HK\$'000</b>
Consolidated net tangible assets	<u>1,709,968</u>	<u>172,141</u>	<u>1,882,109</u>
Number of Shares issued ('000)	<u>4,366,027</u>	<u>2,183,014</u>	<u>6,549,041</u>
Audited consolidated net tangible assets per Share attributable to the owners of the Company prior to the completion of the Open Offer (Note 3)			<u>HK39.17 cents</u>
Unaudited consolidated net tangible assets per Share attributable to the owners of the Company after the completion of the Open Offer (Note 4)			<u>HK28.74 cents</u>

*Notes:*

1. The audited consolidated net tangible assets of the Group at 30 September 2013 is extracted from the published annual report of the Company for the year ended 30 September 2013 and is based on the audited consolidated net assets of the Group attributable to the owners of the Company as at 30 September 2013, and adjusted for goodwill and intangible assets of approximately HK\$83,498,000 and HK\$193,297,000 respectively.

2. The estimated net proceeds from the Open Offer of approximately HK\$172,141,000 is based on 2,183,013,646 Offer Shares to be issued (on the basis of one offer share for every two existing shares held at the Record Date which is expected to be 4,366,027,293) at the subscription price of HK\$0.08 per Offer Share and after deduction of estimated related expenses of approximately HK\$2,500,000.
3. The calculation of the audited consolidated net tangible assets per Share is based on 4,366,027,293 Shares in issue as at 30 September 2013.
4. The calculation of the unaudited pro forma adjusted consolidated net tangible assets per share is based on 6,549,040,939 Shares which comprise 4,366,027,293 Shares in issue as at 30 September 2013 and 2,183,013,646 Offer Shares to be issued.
5. No adjustment has been made to reflect any trading result or other transaction of the Group entered into subsequent to 30 September 2013.

**II. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION IN  
RESPECT OF THE OPEN OFFER**

*The following is the text of a report, prepared for the purpose of inclusion in this prospectus, received from KTC Partners CPA Limited, certified public accountants, Hong Kong:*

**KTC Partners CPA Limited**

*Certified Public Accountants (Practising)*

和信會計師事務所有限公司

Tel 電話: (852) 2770 8232 Fax 傳真: (852) 2770 8378  
E-mail 電子郵箱: info@ktccpa.com.hk  
Room 501, 502 & 508, 5/F., Mirror Tower,  
61 Mody Road, Tsimshatsui East, Kowloon, Hong Kong  
香港九龍尖沙咀東部麼地道61號冠華中心五樓501, 502及508室

The Board of Directors  
Ming Fung Jewellery Group Limited  
Room 1825, 18th Floor  
Hutchison House  
10 Harcourt Road,  
Central,  
Hong Kong

Dear Sirs,

**RE: UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET  
TANGIBLE ASSETS**

We report on the unaudited pro forma statement of adjusted consolidated net tangible assets (“Unaudited Pro Forma Financial Information”) of Ming Fung Jewellery Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which has been prepared by the directors of the Company (the “Directors”) for illustrative purposes only, to provide information about how the proposed open offer on the basis of one offer share for every two existing shares of the Company held on the record date (the “Open Offer”) might have affected the consolidated net tangible assets of Group presented, for inclusion in Appendix II to the open offer prospectus of the Company dated 19 March 2014 (the “Prospectus”). The basis of preparation of the Unaudited Pro Forma Financial Information is set out in Appendix II to the Prospectus.

**Respective Responsibilities of the Directors and Reporting Accountants**

It is the responsibility solely of the Directors to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants.

It is our responsibility to form an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the Unaudited 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 Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

**Basis of Opinion**

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the Directors. This engagement did not involve an independent examination of any of the underlying financial information.

Our work did not constitute an audit or review made in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants, and accordingly, we do not express any such audit or review assurance on the Unaudited Pro Forma Financial Information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgments and assumptions of the Directors, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the net tangible assets of the Group as at 30 September 2013 or at any future date.

**Opinion**

In our opinion:

- (a) The Unaudited Pro Forma Financial Information has been properly compiled by the Directors 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 Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,

**KTC Partners CPA Limited**

*Certified Public Accountants*

**Chow Yiu Wah, Joseph**

Practising Certificate Number: P04686

Hong Kong

19 March 2014

## 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 authorised and issued share capital of the Company (i) as at the Latest Practicable Date, and (ii) immediately following completion of the Open Offer are as follows:

<i>Authorised:</i>	<i>HK\$</i>
<u>10,000,000,000</u> ordinary shares of HK\$0.01 each	<u>100,000,000</u>
<i>Issued and fully paid:</i>	
4,366,027,293 ordinary shares of HK\$0.01 each as at the Latest Practicable Date	43,660,273
<u>2,183,013,646</u> Offer Shares to be issued	<u>21,830,136</u>
<u>6,549,040,939</u>	<u>65,490,409</u>

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 Offer 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.

As at the Latest Practicable Date, the Company had no outstanding derivatives, options, warrants and conversion rights or other similar rights which were convertible or exchangeable into Shares.

## 3. DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests of the Directors and chief executives in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO

(including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules, were as follows:

Name of Director	Type of interests	Number of		Total Interests	Approximate percentage of shareholding of the Company (%)
		Issued ordinary Shares held	Number of Underlying Shares held		
Mr. Wong Chi Ming, Jeffrey	Corporate (Note)	295,025,799	—	295,025,799	6.76

*Notes:* The interest disclosed represents the 295,025,799 shares held by Equity Base Holdings Limited, a company incorporated in the British Virgin Islands which is wholly owned by Mr. Wong Chi Ming, Jeffrey by virtue of Section 344(3) of the SFO. All the interests disclosed above represent long positions in the shares of the Company. Ms. Lui Ching Han, Magda, the spouse of Mr. Wong Chi Ming, Jeffrey is deemed to be interested in these shares under the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any beneficial or deemed interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules.

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

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons, other than a Director or chief executive of the Company, had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under provisions of Division 2 and 3 of Part XV of the SFO, or were directly or indirectly interested in ten per cent 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:

Name of person/ corporation	Type of interests	Number of Issued ordinary Shares held	Number of Underlying Shares held	Total Interests	Approximate percentage of shareholding of the Company (%)
Hengdeli Holdings Limited	Corporate (Note 1)	666,666,667	—	666,666,667	15.27
Mr. Wong Chi Ming, Jeffry	Corporate (Note 2)	295,025,799	—	295,025,799	6.76

Notes:

- (1) Alpha Key Investments Limited is a controlled corporation of Hengdeli Holdings Limited which is deemed to be interested in the same parcel of shares. All the interests disclosed above represent long positions in the shares of the Company.
- (2) The interest disclosed represents the 295,025,799 shares held by Equity Base Holdings Limited, a company incorporated in the British Virgin Islands which is wholly owned by Mr. Wong Chi Ming, Jeffry by virtue of Section 344(3) of the SFO. All the interests disclosed above represent long positions in the shares of the Company. Ms. Lui Ching Han, Magda, the spouse of Mr. Wong Chi Ming, Jeffry is deemed to be interested in these shares under the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Director is a director or employee of the companies who are the substantial shareholders of the Company.

#### 5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 30 September 2013 (being the date up to which the latest published audited accounts of the Group were made up), (i) acquired or disposed of by; or (ii) lease to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to the business of the Group.



## 6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

## 7. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors and his respective associates was interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the Group's businesses pursuant to Rule 8.10 of the Listing Rules.

## 8. LITIGATION

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

## 9. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this prospectus or has given opinion or letter contained in this prospectus:

<b>Name</b>	<b>Qualifications</b>
KTC Partners CPA Limited	Certified Public Accountants

KTC Partners CPA Limited has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion therein of its letter and/or references to its name, in the form and context in which it appears.

As at the Latest Practicable Date, KTC Partners CPA Limited was not beneficially interested in the share capital of any member of the Group nor has any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group. In addition, KTC Partners CPA Limited does not have any interest, either directly or indirectly, in any assets which have been, since 30 September 2013 (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 are proposed to be acquired or disposed of by or leased to any member of the Group.

## 10. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$2.5 million, which are payable by the Company.

**11. MATERIAL CONTRACT**

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

- (i) the Underwriting Agreement

**12. CORPORATE INFORMATION OF THE COMPANY AND THE PARTIES INVOLVED IN THE OPEN OFFER**

<b>Board of Directors</b>	<b>Executive Director</b>	<b>Address:</b>
	Mr. Wong Chi Ming, Jeffrey	Flat E, 17th Floor, Block 6, Phase 3, Belvedere Garden, Castle Peak Road, Tsuen Wan, New Territories, Hong Kong
	Mr. Yu Fei, Philip	Flat B, 22nd Floor, Tower 1, 23 Tai Hang Drive, The Legend, Tai Hang, Hong Kong
	<b>Independent non-executive Directors</b>	
	Mr. Jiang Chao	No. 2, Flat, Coolpad Cyber Park, Mengxi Boulevard, Northern Part of Science & Technology Park, Nanshan District, Shenzhen, PRC
	Ms. Chu Wai Fan	28B Tower, 2, Park Summit, 88 Beech Street, Tai Kok Tsui, Kowloon, Hong Kong
	Mr. Tam Ping Kuen, Daniel	Flat F, 21st Floor, Tower 2, Sorrento, Tsimshatsui, Kowloon, Hong Kong
		<b>Address:</b>
<b>Authorised representatives</b>	Mr. Wong Chi Ming, Jeffrey	Flat E, 17th Floor, Block 6, Phase 3, Belvedere Garden, Castle Peak Road, Tsuen Wan, New Territories, Hong Kong
	Mr. Lau Chun Pong	Flat D, 17 Floor, Mount Sterling Mall 9, Mei Foo Sun Chuen, Kowloon, Hong Kong

**Senior Management**

<b>Company Secretary</b>	Mr. Lau Chun Pong	Flat D, 17 Floor, Mount Sterling Mall 9, Mei Foo Sun Chuen, Kowloon, Hong Kong
<b>Senior Finance Manager</b>	Mr. Gao Qiang	No. 12, Long Wei Road, Xi Chong, Luen Jiao, Shunde, Guangdong, China
<b>Finance Manager</b>	Mr. Wong Kang Bor, Alex	Room B, 14 Floor, 50 Broadway Street, Mei Foo Sun Chuen, Kowloon, Hong Kong
<b>Registered office</b>	Cricket Square Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands	
<b>Head office and principal place of business in Hong Kong</b>	Room 1825, 18th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong	
<b>Principal share registrar and transfer office in the Cayman Islands</b>	Royal Bank of Canada Trust Company (Cayman) Limited 4th Floor, Royal Bank House, 24 Shedden Road, George Town, Grand Cayman KY1-1110, Cayman Islands	
<b>Branch share registrar and transfer office in Hong Kong</b>	Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong	

*With effect from 31 March*

*2014 will change to:*

Level 22, Hopewell Centre,  
183 Queen's Road East,  
Hong Kong

<b>Underwriter</b>	Guotai Junan Securities (Hong Kong) Limited 27/F, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong
<b>Financial Adviser to the Company</b>	Guotai Junan Capital Limited 27/F, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong
<b>Auditors</b>	KTC Partners CPA Limited, Room 501, 502 & 508, 5/F, Mirror Tower, 61 Mody Road, Tsimshatsui East, Hong Kong
<b>Principal bankers</b>	Hang Seng Bank, 83 Des Voeux Road, Central, Hong Kong
<b>Website</b>	<a href="http://www.mingfung.com">http://www.mingfung.com</a>
<b>Legal advisers to the Company in relation to the Open offer</b>	<i>As to Hong Kong law:</i> Stevenson, Wong & Co. 4th, 5th Floors and 1602 Central Tower, 28 Queen's Road Central, Hong Kong

### 13. BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

#### Executive Directors

**Mr. Wong Chi Ming, Jeffrey**, aged 57, is the Chairman of the Company and the Co-founder of the Group. Mr. Wong, with extensive experience in the jewellery industry in Hong Kong and extensive knowledge in the jewellery industry of the United States and Europe, is responsible for the overall strategic planning and policy making of the Group. He was appointed as a director on 28 February 2002.

**Mr. Yu Fei, Philip**, aged 56, is a Director of the Company. He obtained a Bachelor of Science degree from California State University, Los Angeles. Mr. Yu is responsible for the sales and marketing of the Group's products and has over 29 years of experience in trading businesses. He was appointed as a Director on 2 April 2004.

**Independent Non-Executive Directors**

**Mr. Jiang Chao**, aged 42, was appointed as Independent Non-executive Director in April 2010. He is an Executive Director, the Chief Financial Officer, Vice President of Coolpad Group Limited (Stock Code: 2369) (the “Coolpad”) and its subsidiaries (the “Coolpad Group”), and the Qualified Accountant and Company Secretary of China Wireless. He is an associate member of the Association of Chartered Certified Accountants and a Certified Public Accountant in the PRC. Mr. Jiang has about 19 years of experience in accounting and finance. Mr. Jiang had also worked for Qiaoxing Electronic Company Limited (僑興電子有限公司, NASDAQ: XING) and Shenzhen Zhong Xing Telecom Equipment Company Limited (深圳市中興通訊設備有限公司, 00763.HK), where he was responsible for financial and accounting functions. Mr. Jiang obtained a Bachelor’s Degree in economics from SUN Yat-Sen University (中山大學) in 1991.

**Mr. Tam Ping Kuen, Daniel**, aged 50, joined the Company as an Independent Non-executive Director in May 2006. He is the Founder of Daniel Tam & Co., Certified Public Accountants (Practising). Mr. Tam holds a Master of Financial Economics degree from the University of London and is an associate member of Hong Kong Institute of Certified Public Accountants and a fellow member of Association of Chartered Certified Accountants.

**Ms. Chu Wai Fan**, aged 41, was appointed as an Independent Non-executive Director in June 2013. She graduated from University of Hong Kong and is an associate member of the Hong Kong Institute of Certified Public Accountants. She has over 15 years of experience in the in the field of tax, finance, accounting and auditing.

**Senior Management**

**Mr. Lau Chun Pong**, aged 40, is the Financial Controller of the Group. He joined the Group in 2008 and is responsible for the financial and accounting matters of the Group. Mr. Lau holds a Bachelor of Arts degree from University of California, Los Angeles and is an associate member of the Hong Kong Institute of Certified Public Accountants and American Institute of Certified Public Accountants. He has over 14 years of experience in the field of finance, accounting and auditing.

**Mr. Gao Qiang**, aged 49, is the Senior Finance Manager of the Group. He joined the Group in 2008 and is responsible for the financial and accounting matters of the Group. He has over 20 years of experience in the field of finance and accounting.

**Mr. Wong Kang Bor, Alex**, aged 41, is the Finance Manager of the Group. He joined the Group in 2008 and is responsible for the financial matters of the Group. Mr. Wong holds a Bachelor of Arts degree from San Francisco State University. He has over 14 years of experience in the field of finance and accounting.

**14. LEGAL EFFECT**

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

**15. MISCELLANEOUS**

- (i) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the head office and principal place of business of the Company is situated at Room 1825, 18th Floor Hutchison House, 10 Harcourt Road, Central, Hong Kong.
- (ii) The principal share registrar and transfer office of the Company in the Cayman Islands is Royal Bank of Canada Trust Company (Cayman) Limited at 4th Floor, Royal Bank House, 24 Shedden Road, George Town, Grand Cayman KY1-1110, Cayman Islands.
- (iii) The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited, having its office situated at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong (which will be relocated to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from 31 March 2014).
- (iv) Mr. Lau Chun Pong, the company secretary of the Company, is an associate member of the Hong Kong Institute of Certified Public Accountants.
- (v) As at the Latest Practicable, there was no restriction affecting the remittance of profits or repatriation of capital of the Company into Hong Kong from outside of Hong Kong.
- (vi) The English text of the Prospectors Documents shall prevail over their respective Chinese texts in the case of inconsistency.

**16. DOCUMENTS DELIVERED TO THE REGISTRAR OF THE COMPANIES**

A copy of each of the Prospectus Documents and the written consent referred to in the paragraph headed "Expert and consent" in this appendix have been delivered to the Registrar of Companies of Hong Kong pursuant to Section 342C of the Companies Ordinance.

**17. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the principal place of business of the Company at Room 1825, 18th Floor Hutchison House 10 Harcourt Road, Central, Hong Kong during normal business hours on any weekday other than public holidays, up to and including Wednesday, 2 April 2014:

- (i) the memorandum and articles of association of the Company;
- (ii) the annual reports of the Company for the three years ended 30 September 2011, 2012 and 2013;
- (iii) the letter from KTC Partners CPA Limited regarding the unaudited proforma financial information on the Group as set out in Appendix II to this prospectus;
- (iv) the written consent referred to in the paragraph headed “Expert and consent” to this appendix;
- (v) the material contract referred to in the paragraph headed “Material Contract” to this appendix; and
- (vi) this prospectus.