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## DEFINITIONS

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*In this Prospectus, unless the context otherwise requires, the following words and expressions have the following meanings.*

“Acting in Concert Agreement”	an agreement entered into by Mr. Y Yu, Mr. Yu, Mr. Shen, Mr. Zhang and Puhua Energy and dated 28 April 2014. For details, please see “History and Development” in this Prospectus
“affiliate(s)”	any other person(s), directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person(s)
“AIC”	Administration of Industry & Commerce* (工商管理管理機關) in the PRC or, where the context so requires, the State Administration of Industry & Commerce of the PRC (中華人民共和國工商管理總局) or its delegated authority at provincial, municipal or other local level
“Application Form(s)”	<b>WHITE</b> Application Form(s), <b>YELLOW</b> Application Form(s) and <b>GREEN</b> Application Form(s), or where the context so requires, any of them, relating to the Hong Kong Public Offering
“Articles of Association”	the articles of association of the Company, conditionally adopted on 19 May 2014 and as amended from time to time, a summary of which is set out in “Appendix V — Summary of Articles of Association” in this Prospectus
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Bangni Fiber”	Zhejiang Bangni Refractory Fiber Co., Ltd. (浙江邦尼耐火纖維有限公司), formerly known as Deqing Bangni Refractory Fiber Co., Ltd.* (德清邦尼耐火纖維有限公司), a limited liability company established in the PRC on 17 March 2005 and one of our Promoters. The equity interest of Bangni Fiber is held as to 75.50% by Mr. Pan Zhongmin, a non-executive Director, and thus it is a connected person of the Company

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“Beihu Construction”	Zhejiang Beihu Construction Company Limited* (浙江北湖建設有限公司), formerly known as Deqing County Beihu Construction and Engineering Company Limited* (德清縣北湖建築工程有限公司), Zhejiang Beihu Group Construction and Engineering Company Limited* (浙江北湖集團建築工程有限公司) and Huzhou Beihu Group Construction and Engineering Company Limited* (湖州北湖集團建築工程有限公司), a limited liability company established in the PRC on 24 May 1995 and one of our Promoters, the equity interest of which is held by two individuals, each of them being an Independent Third Party. Other than its shareholding interest in the Company, Beihu Construction is an Independent Third Party
“Board” or “Board of Directors”	the board of directors of the Company
“Business Day”	any day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
“CAGR”	compound annual growth rate
“CBRC”	the China Banking Regulatory Commission (中國銀行業監督管理委員會)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
“Chairman”	Mr. Yu
“China” or “PRC”	the People’s Republic of China, but for the purpose of this Prospectus and for geographical reference only and except where the context requires, references in this Prospectus to “China” and the “PRC” do not apply to Taiwan, Macau Special Administrative Region and Hong Kong

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“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Company,” “we,” “us” or “our”	Zuoli Kechuang Micro-finance Company Limited (佐力科創小額貸款股份有限公司), a joint stock company incorporated in the PRC with limited liability on 18 August 2011 and converted from our Predecessor Company on 28 April 2014 and where the context otherwise requires, its predecessor
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and in case of the Company, means Zuoli Holdings, Puhua Energy, Mr. Yu, Mr. Y Yu, Deqing Yintian, Mr. Shen, Dingsheng Investment and Mr. Zhang
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Deed of Indemnity”	the deed of indemnity dated 29 December 2014 entered into by our Controlling Shareholders with and in favor of the Company
“Deed of Non-Competition”	the deed of non-competition dated 4 September 2014 entered into by our Controlling Shareholders in favor of the Company
“Deqing”	Deqing County, Huzhou, Zhejiang, where the Company operates
“Deqing Yintian”	Deqing Yintian Equity Investment and Management Company Limited* (德清銀天股權投資管理有限公司), a limited company established in the PRC on 28 December 2011 wholly owned by Mr. Y Yu, and one of our Controlling Shareholders
“Dingsheng Investment”	Deqing Dingsheng Equity Investment and Management Company Limited* (德清鼎盛股權投資管理有限公司), a limited company established in the PRC on 28 December 2011 and wholly owned by Mr. Shen, and one of our Controlling Shareholders
“Director(s)”	the director(s) of the Company

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“Domestic Share(s)”	ordinary share in our capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi by PRC nationals and/or PRC-established entities
“EIT”	the PRC enterprise income tax
“EIT Law”	the <i>PRC Enterprise Income Tax Law</i> (中華人民共和國企業所得稅法)
“EY Advisory”	Ernst & Young (China) Advisory Limited, an international consulting firm providing data and analyses in relation to various industries, which is an Independent Third Party
“Financial Office”	the Financial Work Office of the People’s Government of Zhejiang Province (浙江省人民政府金融工作辦公室)
“GDP”	gross domestic product
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Green Application Form(s)”	the application form(s) to be completed by White Form eIPO Service Provider, Computershare Hong Kong Investor Services Limited
“Guiding Opinions”	<i>Guiding Opinions on the Pilot Operation of Microfinance Companies</i> (關於小額貸款公司試點的指導意見) jointly issued by the CBRC and the PBOC on 4 May 2008
“H Share(s)”	overseas listed foreign shares in the share capital of the Company with nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and are to be listed on the Hong Kong Stock Exchange
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“HKFRS”	Hong Kong Financial Reporting Standards
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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“Hong Kong Public Offering”	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price and on, and subject to, the terms and conditions of this Prospectus and the Application Forms, as further described in “Structure of the Global Offering”
“Hong Kong Offer Shares”	the 30,000,000 H Shares (subject to adjustment) being offered by us for subscription pursuant to the Hong Kong Public Offering
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering listed in “Underwriting — Hong Kong Underwriters” in this Prospectus
“Hong Kong Underwriting Agreement”	the underwriting agreement dated 29 December 2014 relating to the Hong Kong Public Offering and entered into by, among others, the Joint Bookrunners, the Hong Kong Underwriters, the Controlling Shareholders and us, as further described in “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering” in this Prospectus
“Huacai Chemical”	Zhejiang Huacai Chemical Company Limited* (浙江華彩化工有限公司), formerly known as Deqing County Huacai Chemical Company Limited* (德清縣華彩化工有限公司) and Deqing County New Type Construction and Decoration Materials Company Limited* (德清縣新型建材裝潢材料有限公司), a limited liability company established in the PRC on 10 June 1993 and one of our Promoters, the equity interest of which is held by four individuals, each of them being an Independent Third Party. Other than its shareholding interest in the Company, Huacai Chemical is an Independent Third Party
“Huzhou”	Huzhou City, Zhejiang
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is/ are not a connected person(s) of the Company within the meaning of the Listing Rules
“International Offering”	the conditional placing by the International Underwriters of the International Offer Shares outside the United States to institutional and professional investors in offshore transactions as defined in and in accordance with Regulation S, as further described in “Structure of the Global Offering” in this Prospectus

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“International Offer Shares”	the 270,000,000 H Shares offered by the Company pursuant to the International Offering, together with, where relevant, any additional H Shares to be sold pursuant to the exercise of the Over-allotment Option
“International Underwriters”	the underwriters of the International Offering
“International Underwriting Agreement”	the international underwriting agreement relating to the International Offering and to be entered into by, among others, us, the Controlling Shareholders, the Joint Bookrunners and the International Underwriters on or about 8 January 2015, as further described in “Underwriting — Underwriting Arrangements and Expenses — International Offering” in this Prospectus
“Jiangsu”	Jiangsu Province, a province located in the eastern coast of China
“Jinyan Import & Export”	Zhejiang Jinyan Import & Export Company Limited* (浙江津岩進出口有限公司), formerly known as Deqing County Jinyan Import & Export Company Limited* (德清縣津岩進出口有限公司), a limited liability company established in the PRC on 19 August 2008 and one of our Promoters. It is held as to 100% by Mr. Tang Hairong and his associates. Mr. Tang Hairong is a former director of our Predecessor Company and a former supervisor of our Company. Jinyan Import & Export is a connected person of the Company
“Joint Bookrunners” (in alphabetical order)	China Galaxy International Securities (Hong Kong) Co., Limited, Convoy Investment Services Limited and Guangdong Securities Limited
“Joint Lead Managers” (in alphabetical order)	China Galaxy International Securities (Hong Kong) Co., Limited, Convoy Investment Services Limited and Guangdong Securities Limited
“Jolly Pharmaceutical”	Zhejiang Jolly Pharmaceutical Co., Ltd. (浙江佐力藥業股份有限公司, stock code: 300181), a company established in the PRC on 28 January 2000 and listed on the Shenzhen Stock Exchange. As of the Latest Practicable Date, it is held as to 33.94% by Mr. Y Yu, a Controlling Shareholder, and thus is a connected person of the Company
“Latest Practicable Date”	22 December 2014, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information in this Prospectus prior to its publication
“Listing”	the listing of the H Shares on the Main Board

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“Listing Committee”	the Listing Committee of The Stock Exchange of Hong Kong Limited
“Listing Date”	the date, expected to be on 13 January 2015, on which dealings in the H Shares first commence on the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange
“Mandatory Provisions”	the <i>Mandatory Provisions for Articles of Association of Companies to be Listed Overseas</i> * (到境外上市公司章程必備條款), as amended, supplemented or otherwise modified from time to time, for inclusion in the articles of association of companies established in the PRC to be listed overseas (including Hong Kong), which were promulgated by the former Securities Commission of the State Counsel and the former State Commission for Restructuring the Economic Systems on 27 August 1994
“Ministry of Finance” or “MOF”	the Ministry of Finance of the PRC (中華人民共和國財政部)
“MOFCOM”	the Ministry of Commerce of the PRC (中華人民共和國商務部)
“Mr. Shen”	Mr. Shen Haiying (沈海鷹), one of our Controlling Shareholders and the general manager and a director of Zuoli Holdings
“Mr. Y Yu”	Mr. Yu Youqiang (俞有強), father of Mr. Yu, one of our Controlling Shareholders and the chairman of the board of directors of Zuoli Holdings
“Mr. Yu”	Mr. Yu Yin (俞寅), our executive Director, Chairman of our Company and one of our Controlling Shareholders
“Mr. Zhang”	Mr. Zhang Jianming (張建明), one of our Controlling Shareholders and the deputy general manager and a director of Zuoli Holdings
“National Bureau of Statistics”	the National Bureau of Statistics of the PRC (中華人民共和國國家統計局)
“NDRC”	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)

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“NPC”	the National People’s Congress of the PRC (中華人民共和國全國人民代表大會)
“Offer Price”	the final Hong Kong dollar price per H Share (exclusive of brokerage fee, Hong Kong Stock Exchange trading fee and SFC transaction levy) at which the Offer Shares are to be subscribed pursuant to the Global Offering
“Offer Share(s)”	the Hong Kong Offer Shares and the International Offer Shares together, where relevant, with any additional H Shares sold pursuant to the exercise of the Over-allotment Option
“Over-allotment Option”	the option to be granted by us to the Stabilizing Manager on behalf of the International Underwriters under the International Underwriting Agreement pursuant to which the Company may be required to sell up to an additional aggregate of 45,000,000 H Shares (in aggregate representing 15% of the Offer Shares initially being offered under the Global Offering) at the Offer Price
“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC
“PBOC Benchmark Rate”	the deposit and lending interest rates set by the PBOC for commercial banks and other financial institutions in China
“PRC Company Law”	the <i>PRC Company Law</i> (中華人民共和國公司法)
“PRC GAAP”	the <i>Accounting Standards for Business Enterprises</i> promulgated by the Ministry of Finance
“PRC Government”	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and organizations of such government or, as the context requires, any of them
“PRC Legal Advisers”	Dacheng Law Offices, legal advisers to the Company as to the PRC laws in connection with the Global Offering
“Predecessor Company” or “our Predecessor Company”	Deqing Zuoli Kechuang Micro-finance Company Limited* (德清佐力科創小額貸款有限公司), a limited liability company established in the PRC on 18 August 2011 and the predecessor of the Company
“Price Determination Agreement”	the agreement to be entered into by the Joint Bookrunners (on behalf of the Underwriters) and us on the Price Determination Date to record and fix the Offer Price



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“Price Determination Date”	the date, expected to be on or around 8 January 2015 but no later than 11 January 2015, on which the Offer Price is fixed for the purposes of the Global Offering
“Promoter(s)”	the promoters that established the Company on 28 April 2014. At the time of our establishment, our Promoters comprised six corporate shareholders and 44 individual shareholders
“Prospectus”	this prospectus issued in connection with the Hong Kong Public Offering
“Puhua Energy”	Deqing Puhua Energy Company Limited* (德清普華能源有限公司), formerly known as Deqing Puhua Materials Company Limited* (德清普華物資有限公司), a limited liability company established in the PRC on 31 October 2005 which is wholly owned by Zuoli Holdings, one of our Controlling Shareholders and our principal Promoter
“Regulation S”	Regulation S under the U.S. Securities Act
“Renminbi” or “RMB”	the lawful currency for the time being of the PRC
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“SAIC”	the State Administration for Industry & Commerce of the PRC (中華人民共和國國家工商行政管理總局)
“SAT”	the State Administration of Taxation of the PRC (中華人民共和國國家稅務總局)
“Securities and Futures Commission” or “SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	Domestic Share(s) and/or H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Special Regulations”	the <i>Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies</i> (國務院關於股份有限公司境外募集股份及上市的特別規定), promulgated by the State Council on 4 August 1994
“Stabilizing Manager”	China Galaxy International Securities (Hong Kong) Co., Limited

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“State Council”	the State Council of the PRC (中華人民共和國國務院)
“Sole Sponsor”	China Galaxy International Securities (Hong Kong) Co., Limited, a licensed corporation under the SFO permitted to engage in type 6 of the regulated activities (as defined under the SFO), acting as the sole sponsor to the Listing
“substantial shareholder(s)”	has the meaning ascribed thereto in the Listing Rules
“Supervisor(s)”	member(s) of the Supervisory Committee
“Supervisory Committee”	our supervisory committee established pursuant to the <i>PRC Company Law</i> , as described in “Directors, Supervisors and Senior Management” in this Prospectus
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time
“Track Record Period”	the period from 18 August 2011 (being the date of establishment of our Predecessor Company) to 31 December 2011, the two financial years ended 31 December 2012 and 2013 and the six months ended 30 June 2014
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“White Form eIPO”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name, submitted online through the designated website of the White Form eIPO Service Provider, <a href="http://www.eipo.com.hk">www.eipo.com.hk</a>
“White Form eIPO Service Provider”	Computershare Hong Kong Investor Services Limited

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“Yiweier Industry”	Huzhou Yiweier Industry Company Limited* (湖州伊唯爾實業有限公司), formerly known as Huzhou Yiweier Group Company Limited* (湖州伊唯爾集團有限公司), a limited liability company established in the PRC with limited liability on 10 June 1996 and one of our Promoters, the equity interest of which is held by two individuals, each being an Independent Third Party. Other than its shareholding interest in the Company, Yiweier Industry is an Independent Third Party
“Zhejiang”	Zhejiang Province, a province located in the southeastern coast of China
“Zuoli Holdings”	Zuoli Holdings Group Company Limited* (佐力控股集團有限公司), previously known as Zhejiang Shuangyou Industrial Development Company Limited* (浙江雙友實業有限公司), a limited liability company established in the PRC on 18 April 2011 and one of our Controlling Shareholders. See “Relationship with Controlling Shareholders — Background of Our Controlling Shareholders — Zuoli Holdings” for further details of the ownership structure of Zuoli Holdings

\* denotes English translation of the name of a Chinese company or entity, or vice versa, and is provided for identification purposes only