



**Shenzhen Fengju Asset Management Co., Ltd
Company Profile**



I. Company Profile

Shenzhen Fengju Asset Management Co., Ltd. (hereinafter referred to as “Fengju”) is a specialized company engaging in acquiring, managing and disposing of non-performing assets. It is headquartered in Qianhai Shenzhen Shekou FTA with branches and businesses covering a dozen provinces in China.

Our team is composed of elites and professionals with rich managerial experience in economic fields such as finance, management, and law. We also boast a number of high-quality cooperation platforms. Core members of management of our company are among the pioneers and founders of Chinese asset management industry.

Our core value is “adapting to the new normal, embarking on a new journey and thus making new stride” . Since we dabbled into asset management industry in 2003, we have accumulatively investigated and assessed billions of non-performing assets, managed and disposed of thousands of millions of non-performing assets. Within a new economic context, we have taken a huge leap forward in this industry and become one of the few joint-stock asset management companies in China.

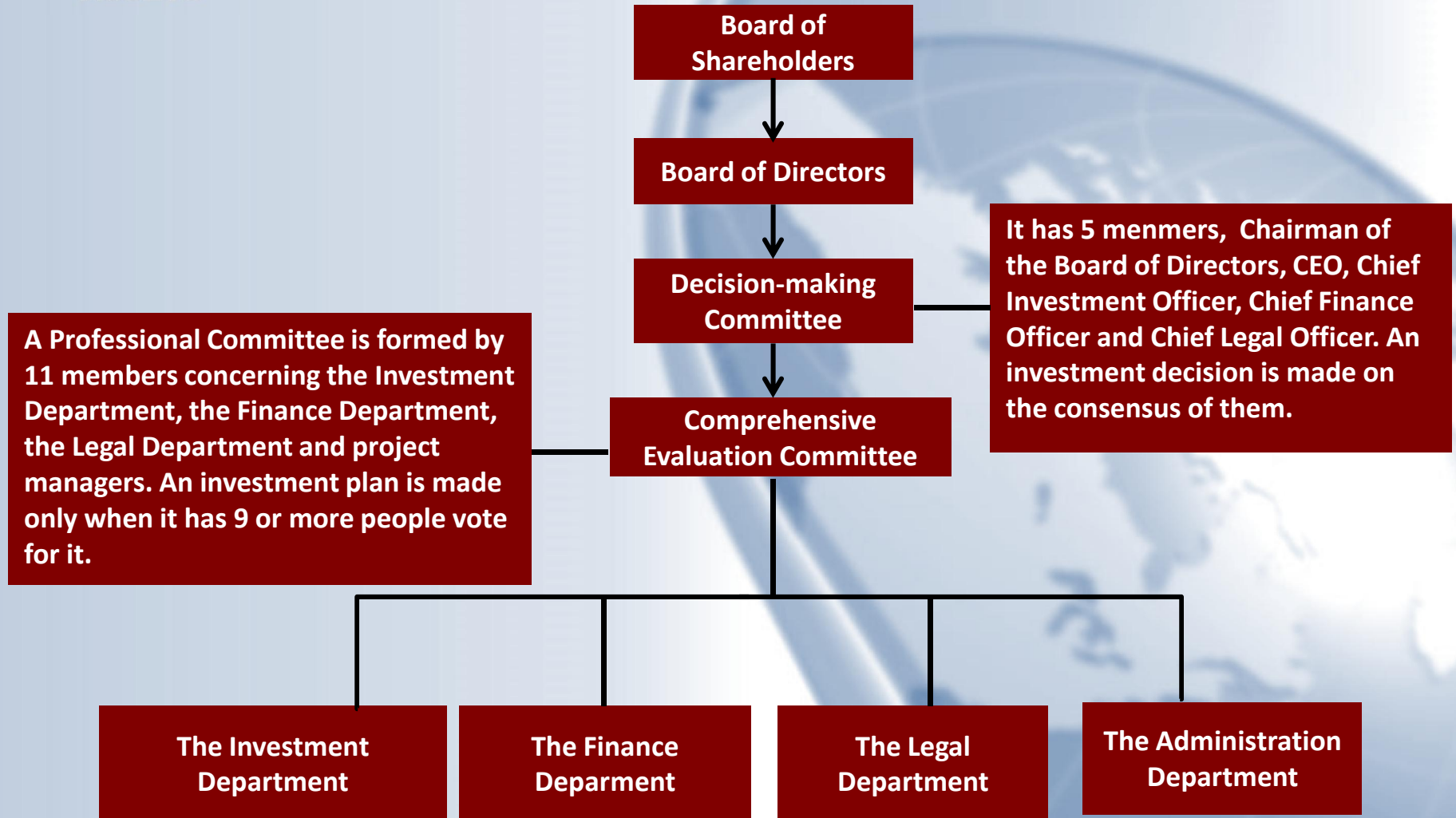
Our business philosophy is “Maximize our value by cherishing every asset and exploring new potentials and highlights” , which governs each and every business. For over ten years, We have maximized the asset value and gained unique expertise in managing and disposing of non-performing assets through technical means such as debt restructuring, recapitalization, debt-for-equity swap, recovery suits, asset transfer and structured transactions, which contribute to the efficient use of financial assets and management of financial risks.

Our vision is to build up Fengju into an innovative asset manager and a reliable, prudent company providing integrated financial services. To achieve it, we divide our four-layered services, namely project assessment, decision, implementation and exit , into specific subdivisions and formulate a strict implementing procedure according to each non-performing asset so as to ensure the accuracy, feasibility and security of each investment. We should engage with innovation and prudence while avoiding rashness and conservativeness. Embracing these traits enables us to achieve accurate investment in, efficient restructuring of and reasonable clearing and recovering the non-performing assets.

“The glory that Fengju bestowed on everything can breed fortune for everyone.” By adhering to our core values and business philosophy, we will eventually fulfill our vision.

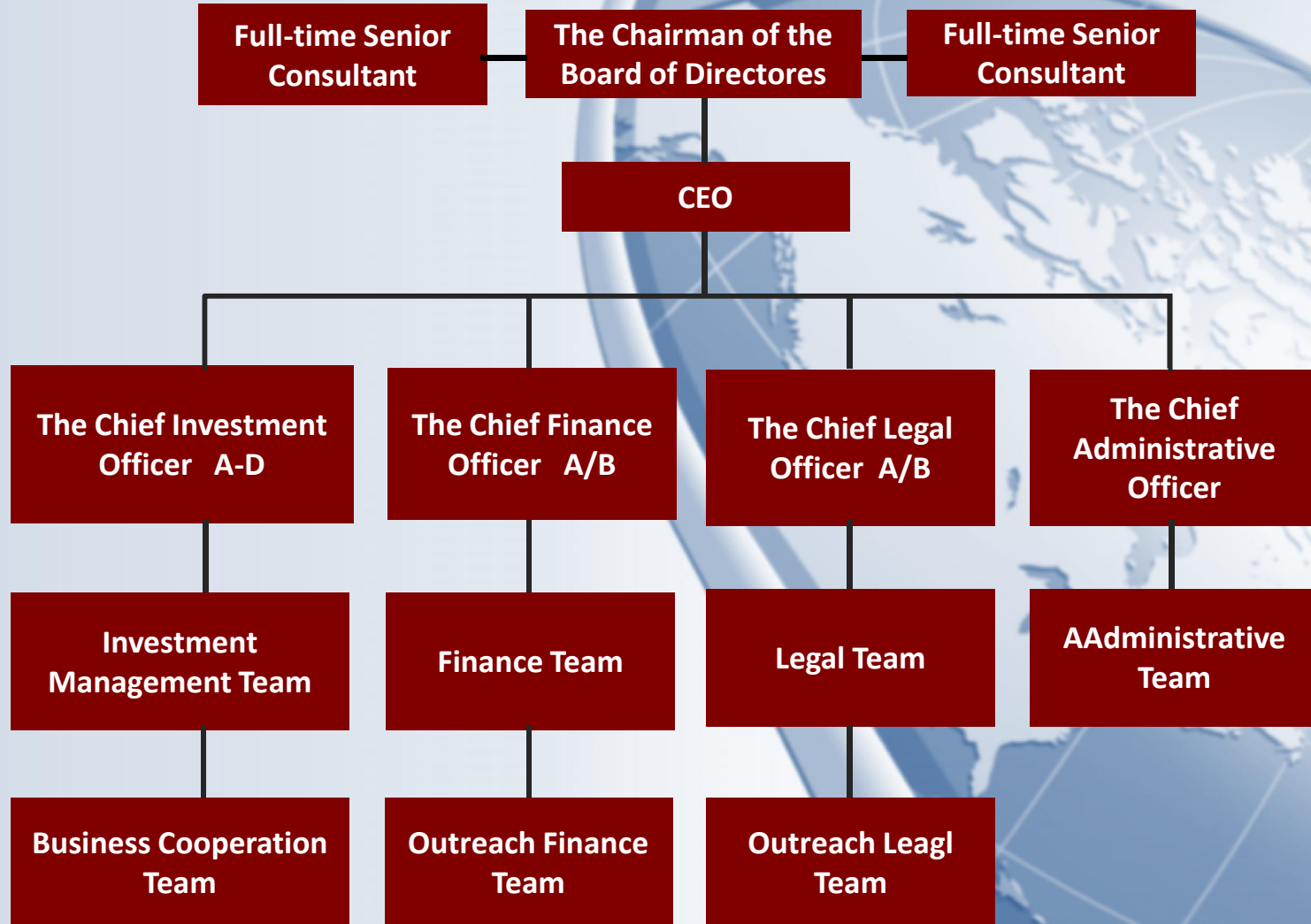


II. Company Structure



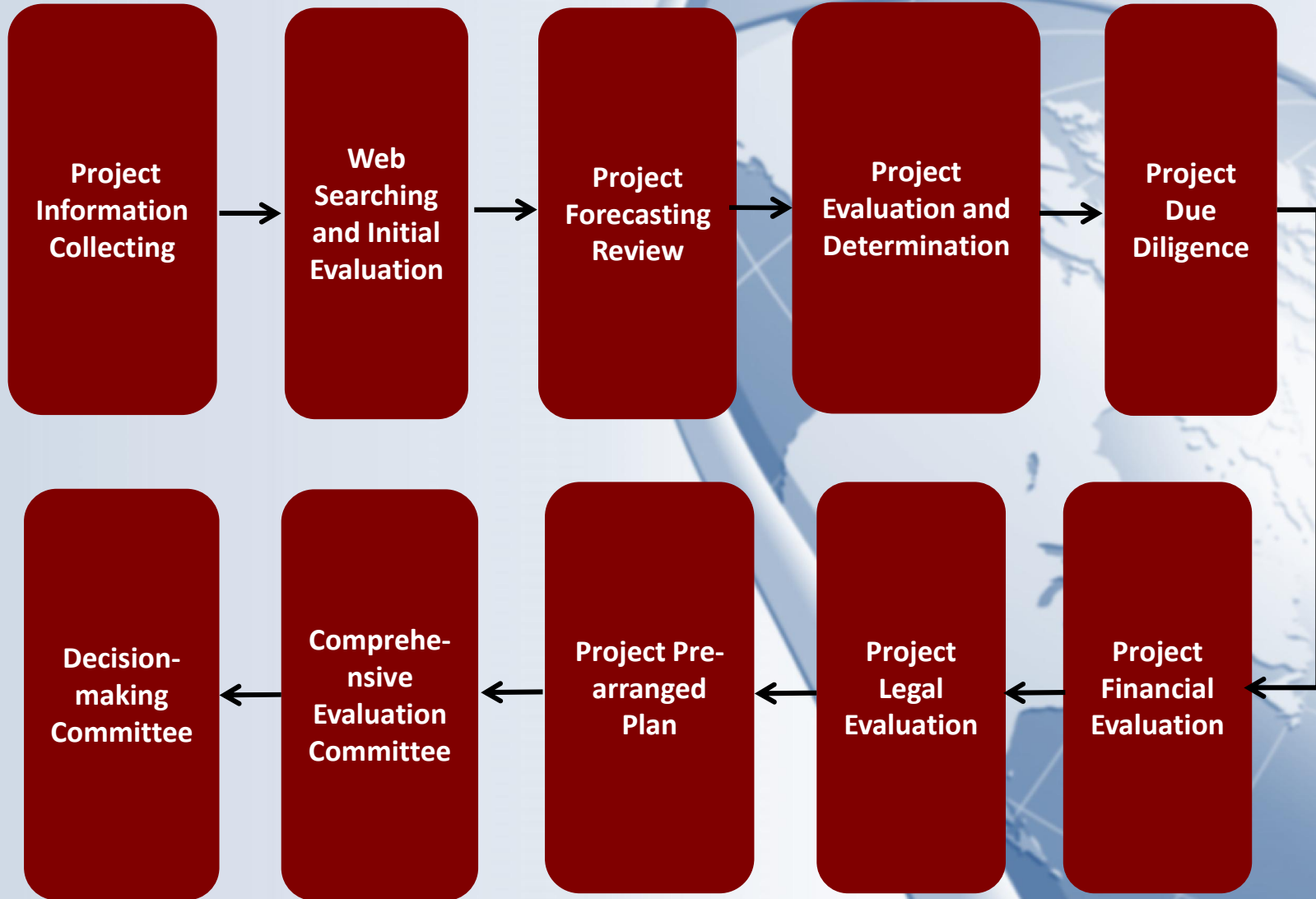


III. Team Structure





IV. Business Process





V. Company Team

Partner, Chairman of the Board of Directors: Chen Jiangxu, PhD in economics of Wuhan University, senior economist.

Past Professions: president of Wuhan branch, Bank of China; president of Hubei Branch, Bank of China; executive vice president of China Orient Asset Management Corp.

He engaged in establishing China Orient Asset Management Corp., and helped developing almost all business of the company as one of the principals.

Approved by the State Council and the People's Bank of China, China Orient Asset Management Corp. is a central state owned enterprise with a total assets of near 320 billion RMB and a nationwide service network.



China Orient Asset Management Corp. has 25 branch offices in core cities of China. Domestically, it owns China United Insurance Holding Company, Doxing Securities Co.,Ltd, Daye Trust Co.,Ltd, China's Foreign Trade Financial Co.,Ltd and Orient Bangxin Investment Co.,Ltd. It owns such holdings limited as China Orient Asset Management (international) Holding Ltd, and Dongyin Development (Holdings) Co.,Ltd overseas. The company's business covers asset management, insurance, security, trust, lease, investment and financing, ratings and overseas business, with almost 40,000 employees, and 8 million customers.



V. Company Team

Partner, CEO: Wang Tiejun, graduated from administrative management major, Hunan University, economist.

Past Professions: staff officer of the headquarter of Guangzhou Military Region, director of the Party office of Pharmaceutical Company in Changsha, business manager of Haikou office, Hunan Foreign Trade Office, vice president of Hunan (Guangzhou) South Asian Foreign Trade Company, president of Hunan Puda Industrial Foreign Trade Company, president of Beijing Zhenken Investment Co.,Ltd.

In 1997, he established the first comprehensive private foreign trade company in Hunan, which topped the private comprehensive companies in Hunan for three consecutive years in terms of earning foreign exchange.

He stepped into the field of disposing non-performing assets at 2001, thus becoming one of the earliest people to operate non-performing assets. Being one of the core founders of Fengju Asset, he has direct engaged in and managed all investment of non-performing assets including and besides Part VI.





V. Company Team

Partner, chief investment officer: Luo Min, graduated from Shanghai University and majored in radio, engineer.

Past Professions: project manager of Hainan Oriental Economic Development Corporation, general manager of Ningbo Oriental Group Engineering Co. Ltd, general manager of Telecom Company of Stone Group, deputy manager of Beijing Zhongjing Sitong Investment Company, vice chairman and vice manager of Chongqing International Industrial Investment Company, chairman of Raisecom Technology Development Co., Ltd. in Beijing, chairman of Denon Seed Industry Technology Development Co., chairman of Denon Agricultural Supermarket Co. Ltd in Shandong province, member of the board in Beijing Fubon Investment Limited Company, member of the board of New City Construction Company (China).

In the past twenty years, the number of the projects that he took responsibilities and participated in has reached nearly 30 cases, with the amount totaled to nearly 80 billion RMB. Therefore he has accumulated rich experience in investment, mergers and acquisitions.

On behalf of the Beijing Zhongjing Sitong Investment Company, he successfully took over Chongqing Industrial Company which controlled by the Chongqing municipal government and was in charge of the issuance of its post stocks. He was responsible for mergers and acquisitions of a Listed Companies in Hunan -- Dragon Shares, and Nanjing Eastwood Electric Power Company and served as chairman of the board. He also was responsible for the acquisition of Hunan Chenzhou Water Investment Group, established the South Water Group and had been elected as Chairman, and he successfully acquired Yongxing Water Group, presided in some financial enterprises like the Shanghai Oriental Insurance Company, Jinxin Trust Company and Shanghai New Century Leasing Company. He invested in Shandong Qilu Petrochemical Company and to be the chairman of the board, in the same year he took over Zhongsheng Environmental Protection Group in Shandong province. He was also responsible for the mergers and acquisitions of Denong Supermarket which is China's largest agricultural supermarket and China's top 3 seed companies -- Denon seed industry. He participated in the Delong group restructuring, with an amount of 60 billion RMB. He was in charge of the reorganization and listing of Guangdong Hualong Group, in the same year in Dalian he took part in overseas private equity of real estate and mounted over 1 billion USD.





V. Company Team

Partner, chief legal officer: Wu Feiyue, graduated from the Department of Law in Xiangtan University, and the Department of Senior Judge in the Chinese National Judge College, a Senior Judge at the third degree.

Past Professions: chief judge of the No.2 Criminal Tribunal and No.3 civil Tribunal in Intermediate People's Court of Changsha, Hunan province, director of the Law and Regulation Research Office, chief judge of law enforcement supervision tribunal, director of execution board, member of the judicial committee, and vice president.

In the past thirty years of his work in court, he was involved in and presided over nearly a thousand criminal cases, especially the trial of finance civil cases. He published over 250 theoretical articles and research reports in "magazine people's law enforcement" and "people's court" sponsored by The Supreme People's Court. He was appointed by the government and served as a legal adviser of state-owned listed companies in Hunan province for many times. Therefore, he has very rich experience in law.





V. Company Team

Partner, chief financial officer: Yang Tao, graduated from Singapore Nanyang Business School, bachelor degree, senior accountant.

Past Professions: She worked at KPMG accounting firm, Tianjian accounting firm, and Daxin accounting firm

She has been involved in dozens of various types of financial evaluation of the project, for example: she participated in the financial evaluation of listed Bank of Communications of China, financial assessment of Jiayi Fund and the large asset package of Huarong Asset Management Co., the financial assessment of a 21 billion RMB stock assets package of Orient Asset Management Corp, Hubei province., and also the financial evaluation of a comprehensive assets package in Jingzhou of Hubei Province, which mounted about 4 billion RMB. Since 2005, she has been directly involved in and led all the financial assessment of Jufeng.





V. Company Team

Wu Yue: Partner, senior economist. With his 20-year experience in bank credit, due diligence investigation, acquiring and disposing assets, he now is the company's chief investment officer.

Chen Yue: Doctor of law, chief layer. The company's chief legal officer. He has work experience in the office of provincial government and is familiar with how to handle the internal structure between government organizations and the law.



Peng Ping: partner, CAP. She has rich experience in tax and auditing. With her 10-year-work experience of finance evaluation of investment banks, assets management companies, she is now the company's chief finance officer.

Xu Lin: partner, senior economist. Worked in the management of investment banks, funds and assets for about 20 years, he is a senior expert in operation and management. Now he is the company's chief investment officer.



VI. Main Achievements

1. In 2003, the non-performing assets program for Qingdao Rongmei villa district delivered us a cash recovery of RMB 210 million reaching a 110% yield through acquisition and reorganization with RMB 100 million at the disposal time of almost one year.

2. In 2007, our company and China Orient Asset Management Corporation collaboratively disposed and reclaimed a nearly 4 billion integrated asset pack in Jingzhou, Hubei province in the form of payment consideration. The whole team were staff from our company. 12% as our asset pack cost was recovered in 1 year while all the 38% asset pack recovery were finished in 2.5 years.

3. In 2008, the asset pack for Hunan Health System was purchased at about RMB 130 million and reclaimed in one and a half years with a cash recovery of RMB 250 million, attaining a 92.31% yield in the form of litigation.





VI. Main Achievements

4. In 2009, first by cooperation and then by purchase, our company acquired nearly 400 million disposal right of the land for the asset management company in Zhuhai Hengqin, Guangdong province. Due to the excess attachments, ambiguous policies, complicated disposal procedures and the increasingly strong desire for realization of the company, our company adopted the strategy of buying out the land in several times and paying 8% fixed investment income to the asset management company thereby the ownership of the land was obtained. Approximately 2 years were spent on this program with a cash recovery of RMB 660 million, reaching a 65% yield. Strength of this mode rest with taking precedence obtaining the ownership since the disposal right of the land does matter a lot in winning the bid.



横琴岛开发建设总体规划（纲要）





VI. Main Achievements

5. In 2012, a cooperation agreement was reached between Huafa Group which is wholly-funded by Zhuhai government and in accordance with the agreement Zhuhai Yuhua Polyester Co., Ltd., a debt-to-equity swap enterprise shared by China Orient Asset Management Corporation, China Huarong Asset Management Co., Ltd., China Cinda Asset Management Co., Ltd. and China Great Wall Asset Management Corporation shall reorganized. Our company had come to an agreement of intent with these four asset management companies. The estimated overall stock rights acquisition expense was about RMB 500 million, the worker restructuring expense was RMB 300 million and the expense for record debts was RMB 100 million. All above expense was RMB 900 million. After the business reconstruction, the land would be brought to market in the form of listing with a projected value of RMB 3.5 billion. At present, on account of personnel changes and administrative system adjustment, this program has suspended.





VII. Summary

Over a decade of acquiring and disposing non-performing assets, we have been exploring, learning and summarizing approaches of all kinds to acquire and dispose assets, and have obtained rich and effective operation models.

For instance, when we takeover a bid, according to the disposing will and procedures of banks or the major four assets management companies, we would make various transaction structures so as to raise the probability of acquiring the bid. Through the major four assets management companies, we would get the information of the asset package directly from the bank and conduct a due diligence investigation. After project approving, the company would acquire the bid through bridge financing from the major four assets management companies. As for those asset packages of unsuccessful bids, the company could proceed another round of acquiring in the form of contract transfer with another asset company.

As for disposing assets, in order to keep our cost at its lowest level, before receiving an asset package, one of our methods is trying our best to make the bank or asset company finish the litigation preservation of the project, just to mention one.

As China is experiencing an overall economic slowdown, the size of banks' non-performing assets is increasing. Therefore, banks and the major four asset management companies are launching asset packages with sizable money. Our company's own capital does not match the current market scale, hence we hope to bring investors in this field to cooperate, developing the profit space of China's non-performing assets together.