

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

A. FURTHER INFORMATION ABOUT THE COMPANY

1. Incorporation of the Company

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 29 April 2015.

The Company has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on 15 May 2015 and the principal place of business in Hong Kong is Room 6, 6/F, Block B, Tonic Industrial Centre, 19 Lam Hing Street, Kowloon Bay, Hong Kong. In connection with such registration, the Company have appointed Mr. Wong of House 7, Uptown, 600 Castle Peak Road, Hung Shui Kiu, Yuen Long, New Territories, Hong Kong and Mr. Cheng Chin Wing of Room 7, 12th Floor, Block B, Hamden Court, 149–151 Hong Nin Road, Kwun Tong, Kowloon, Hong Kong as its authorised representatives for the acceptance of service of process and notices on behalf of the Company in Hong Kong.

As the Company was incorporated in the Cayman Islands, it is subject to the Companies Law and its constitution, which comprises the Memorandum and the Articles. A summary of the relevant aspects of the Companies Law and certain provisions of the Articles is set out in Appendix III to this document.

2. Changes in the share capital of the Company

- (a) As at the date of incorporation, the authorised share capital of the Company was HK\$380,000 divided into 38,000,000 Shares with a par value of HK\$0.01 each. On the same date, one subscriber Share with a par value of HK\$0.01 was allotted and issued as fully paid to Craig Fulton, which subsequently transferred the said Share to Golden Luck.
- (b) On [REDACTED], the authorised share capital of the Company was increased from HK\$380,000 divided into 38,000,000 Shares to HK\$[10,000,000] divided into [1,000,000,000] Shares by the creation of an additional of [962,000,000] Shares.

Immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme), the authorised share capital of the Company will be HK\$[10,000,000] divided into [1,000,000,000] Shares, of which [REDACTED] Shares will be allotted and issued fully paid or credited as fully paid and [REDACTED] Shares will remain unissued.

Other than pursuant to the general mandate to allot and issue Shares as referred to in the paragraphs headed “5. Written Resolutions of the sole Shareholder passed on [REDACTED]” and “6. Repurchase of the Shares” below and the exercise of the options which may be granted under the Share Option Scheme, the Directors do not have any present intention to allot and issue any of the authorised but unissued share capital of the Company and, without prior approval of the Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of the Company.

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Save as disclosed in this document, there has been no alteration in the Company's share capital since its incorporation.

3. Reorganisation

The Group underwent the Reorganisation in preparation for the [REDACTED]. Further details are set out in the paragraph headed "Reorganisation" under the section headed "History, Development and Reorganisation" in this document.

4. Changes in share capital of the subsidiaries

The subsidiaries of the Company are listed in the Accountants' Report, the text of which is set out in Appendix I to this document.

Save as disclosed in the paragraph headed "Reorganisation" under the section headed "History, Development and Reorganisation" in this document, there has been no alteration in the share capital of any of the subsidiaries of the Company within the two years immediately preceding the date of this document.

5. Written resolutions of the sole Shareholder passed on [REDACTED]

Written resolutions of the sole Shareholder were passed on [REDACTED] approving, amongst others, the following:

- (a) the Memorandum and the Articles were adopted as the memorandum of association and articles of association;
- (b) the authorised share capital of the Company was increased from HK\$380,000 divided into 38,000,000 Shares of HK\$0.01 each to HK\$[10,000,000] divided into [1,000,000,000] Shares of HK\$0.01 each by the creation of additional [962,000,000] Shares, all of which shall rank pari passu in all respects with the existing Shares as at [REDACTED]; and
- (c) conditional on (aa) the [REDACTED] Division granting the listing of, and permission to deal in, the Shares in issue and Shares to be allotted and issued as mentioned in this document including the Shares which may be allotted and issued pursuant to the exercise of the options granted under the Share Option Scheme; (bb) the [REDACTED] Price having been duly determined and the execution and delivery of the Underwriting Agreement on the date as specified in this document; and (cc) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including the waiver of any condition(s) by the Bookrunner (for itself and on behalf of the Underwriters) and not being terminated in accordance with the terms of such agreement (or any conditions as specified in this document), in each case on or before the dates and times specified in the Underwriting Agreement (unless and to the extent such

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conditions are validly waived before such dates and times) and in any event not later than the date falling 30 days after the date of this document:

- (i) the [REDACTED] and the [REDACTED] by the Company were approved and the Directors were authorised to (aa) allot and issue the [REDACTED] Shares pursuant to the [REDACTED] and such number of Shares as may be required to be allotted and issued upon the exercise of the [REDACTED]; (bb) implement the [REDACTED] and the [REDACTED]; and (cc) do all things and execute all documents in connection with or incidental to the [REDACTED] and the [REDACTED] with such amendments or modifications (if any) as the Directors may consider necessary or appropriate;
- (ii) conditional upon the share premium account of the Company being credited as a result of the [REDACTED], the Directors were authorised to allot and issue a total of [REDACTED] Shares credited as fully paid at par to Golden Luck by way of capitalisation of the sum of HK\$[2,999,999.99] standing to the credit of the share premium account of the Company and the Shares to be allotted and issued pursuant to this resolution shall rank pari passu in all respects with the then existing issued Shares;
- (iii) the rules of the Share Option Scheme were approved and adopted and the Board (or any committee thereof established by the Board) was authorised, at its sole discretion, to (aa) administer the Share Option Scheme; (bb) modify or amend the rules of the Share Option Scheme from time to time as may be acceptable or not objected to by the Stock Exchange; (cc) grant options to subscribe for Shares thereunder and to allot, issue and deal with the Shares pursuant to the exercise of subscription rights attaching to any option(s) granted thereunder; and (ee) take all such actions as it considers necessary or desirable to implement or give effect to the Share Option Scheme;
- (iv) a general unconditional mandate was given to the Directors to exercise all powers of the Company to allot, issue and deal with (including the power to make an offer or agreement, or grant securities which would or might acquire Shares to be allotted and issued), otherwise than by way of rights issue, scrip dividend schemes or similar arrangements providing for allotment of Shares in lieu of the whole or in part of any cash dividend in accordance with the Articles, or upon the exercise of any options which may be granted under the Share Option Scheme or under the [REDACTED] or the [REDACTED] or upon the exercise of the [REDACTED], Shares with an aggregate nominal amount not exceeding the sum of (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme), (bb) the aggregate nominal amount of the share capital of the Company which may be purchased by the Company pursuant to the authority granted to the Directors as referred to in sub-paragraph (v) below, until the conclusion of the next annual general meeting of the

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Company, or the date by which the next annual general meeting is required by the Articles or any applicable law to be held, or the passing of an ordinary resolution by Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first;

- (v) a general unconditional mandate was given to the Directors to exercise all powers of the Company to repurchase on the Stock Exchange and/or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose in accordance with applicable laws and requirements of the GEM Listing Rules (or of such other stock exchange), Shares with an aggregate nominal amount not exceeding 10% of the aggregate of the nominal amount of the share capital of the Company in issue immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme), until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting is required by the Articles or any applicable laws to be held, or the passing of an ordinary resolution by Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first; and
- (vi) a general unconditional mandate mentioned in sub-paragraph (iv) above was extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed (conditionally or unconditionally) to be allotted or issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company pursuant to the mandate to repurchase Shares as referred to in sub-paragraph (v) above, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme).

6. Repurchase of the Shares

This paragraph sets out information required by the Stock Exchange to be included in this document concerning the repurchase by the Company of its own securities.

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(a) *Provisions of the GEM Listing Rules*

The GEM Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their own securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(i) *Shareholders' approval*

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to the written resolutions of the sole Shareholder passed on [REDACTED], a general unconditional mandate to repurchase the Company's securities (the "Repurchase Mandate") was given to the Directors, the details of which are set out in the paragraph headed "5. Written resolutions of the sole Shareholder passed on [REDACTED]" above in this appendix.

(ii) *Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with the Memorandum, the Articles, the Companies Law and the GEM Listing Rules. A listed company must not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, any repurchases by the Company may be made out of profits of the Company, out of share premium, or out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or, subject to the Companies Law, out of capital. Any amount of premium payable on the purchase over the par value of the shares to be repurchased must be out of profits of the Company, out of the Company's share premium account before or at the time the Shares are repurchased, or, subject to the Companies Law, out of capital.

(iii) *Trading restrictions*

A company is authorised to repurchase on the Stock Exchange or on any other stock exchange recognised by the SFC in Hong Kong and the Stock Exchange the total number of shares which represent up to a maximum of 10% of the aggregate nominal value of the existing issued share capital of that company or warrants to subscribe for shares in that company representing up to 10% of the amount of warrants then outstanding at the date of the passing of the relevant resolution granting the repurchase mandate.

A company may not issue or announce an issue of new securities of the type that have been repurchased for a period of 30 days immediately following a repurchase of securities whether on the Stock Exchange or otherwise (except pursuant to the exercise of warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to the repurchase) without the prior approval of the Stock Exchange.

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In addition, a company is prohibited from making securities repurchase on GEM if the result of the repurchases would be that the number of the listed securities in hands of the public would be below the relevant prescribed minimum percentage for that company as required and determined by the Stock Exchange.

A company shall not purchase its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange.

(iv) Status of repurchased shares

All repurchased securities (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those securities must be cancelled and destroyed.

Under the Companies Law, a company's repurchased shares may be treated as cancelled and, if so cancelled, the amount of that company's issued share capital shall be reduced by the aggregate nominal value of the repurchased shares accordingly although the authorised share capital of the company will not be reduced.

(v) Suspension of repurchase

A listed company may not make any repurchase of securities after inside information has come to its knowledge until the inside information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of: (aa) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for the approval of a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the GEM Listing Rules); and (bb) the deadline for publication of an announcement of a listed company's results for any year or half-year under the GEM Listing Rules, or quarterly or any other interim period (whether or not required under the GEM Listing Rules) and ending on the date of the results announcement, the listed company may not repurchase its shares on the Stock Exchange other than in exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the GEM Listing Rules.

(vi) Reporting requirements

Repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 9:00 a.m. on the following Business Day. In addition, a company's annual report and accounts are required to include a monthly breakdown of securities repurchases made during the financial year under review, showing the number of securities repurchased each month (whether on GEM or otherwise), the purchase price per share or the highest and lowest prices paid for all such repurchases and the total prices paid. The directors' report is also required to contain reference to the purchases made during the year and the directors' reasons for making such purchases. The company shall make arrangements with its broker who

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effects the purchase to provide the company in a timely fashion the necessary information in relation to the purchase made on behalf of the company to enable the company to report to the Stock Exchange.

(vii) Connected parties

A listed company is prohibited from knowingly repurchasing securities on the Stock Exchange from a core connected person which includes a director, chief executive or substantial shareholder of the company or any of its subsidiaries or a close associate of any of them and a core connected person shall not knowingly sell his securities to the company.

(b) Reasons for repurchase

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

(c) Share capital

Exercise in full of the Repurchase Mandate, on the basis of [REDACTED] Shares in issue immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme), could accordingly result in up to 40,000,000 Shares being repurchased by the Company during the course of the period prior to the date on which such Repurchase Mandate expires or terminates as mentioned in the paragraph headed "5. Written resolutions of the sole Shareholder passed on [REDACTED]" in the section headed "A. Further Information about the Company" in this appendix.

(d) General

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to sell any Shares to the Company or its subsidiaries. The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules, the Articles and the applicable laws of the Cayman Islands.

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If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the Company's voting rights increased, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequence which would arise under the Takeovers Code as a result of any repurchase pursuant to the Repurchase Mandate.

The Directors will not exercise the Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the GEM Listing Rules).

The Company has not made any repurchases of its own securities since its incorporation.

No core connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT THE BUSINESS OF THE GROUP

1. Summary of material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years immediately preceding the date of this document and are or may be material:

- (a) a memorandum of sale and purchase for sale and purchase entered into between LKW Co. and Lap Kei dated 29 May 2015;
- (b) a memorandum of sale and purchase for sale and purchase entered into between LKW Co. and Wealth E & M dated 29 May 2015;
- (c) the Deed of Indemnity;
- (d) the Deed of Non-Competition; and
- (e) the Underwriting Agreement.

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2. Intellectual property rights

(a) Trademarks

As at the Latest Practicable Date, the Company has applied for registration of the following trademarks, and the following trademark applications are, in the opinion of the Directors, material to the Group’s business:

No.	Trademark	Class	Place of registration	Application number	Application date
1	 LAP KEI Lap Kei	37, 42	Hong Kong	303404808	12 May 2015
2	lap kei	37, 42	Hong Kong	303404817	12 May 2015
3	立基	37, 42	Hong Kong	303404835	12 May 2015

(b) Domain names

As at the Latest Practicable Date, the Company has registered the following domain names, and the following domain names are, in the opinion of the Directors, material to the business of the Company:

Domain name	Registered owner	Expiry date
www.lapkeieng.com.hk	Lap Kei	25 May 2016
www.lapkeieng.com	Lap Kei	30 April 2025

C. FURTHER INFORMATION ABOUT THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Interests and short positions of the Directors in the Shares, underlying Shares and debentures of the Company and the Company’s associated corporations after completion of the [REDACTED] and the [REDACTED]

Immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme), the interests or short positions of the Directors in the Shares, underlying Shares or debentures of the Company which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register as

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referred to therein, or which will be required to be notified to the Company and the Stock Exchange pursuant to the “required standard of dealings” as contained in Chapter 5 of the GEM Listing Rules, will be as follows:

Name of Director	Capacity/nature of interest	Number of Shares (Note 1)	Approximate percentage of shareholding
Mr. Wong (Note 2)	Interest in a controlled corporation	[REDACTED]	[REDACTED]
Ms. So (Note 3)	Interest of spouse	[REDACTED]	[REDACTED]

Notes:

1. The letter “L” denotes a person’s “long position” (as defined under Part XV of the SFO) in such Shares.
2. The Company will be owned as to [75]% by Golden Luck immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme). Golden Luck is legally and beneficially owned as to 99% by Mr. Wong. Under the SFO, Mr. Wong is deemed to be interested in the same number of Shares held by Golden Luck.
3. Ms. So is the spouse of Mr. Wong. Under the SFO, Ms. So is deemed to be interested in the same number of Shares in which Mr. Wong is interested.

Immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme), so far as the Directors are aware, save as disclosed in the table below, the following persons (not being the Directors or a chief executive of the Company) will have an interest or short position in the Shares or underlying Shares which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or who will, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name	Capacity/nature of interest	Number of the Shares (Note 1)	Approximate percentage of shareholding
Golden Luck (Notes 2 and 3)	Beneficial owner	[REDACTED]	[REDACTED]

Notes:

1. The letter “L” denotes a person’s “long position” (as defined under Part XV of the SFO) in such Shares.

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2. The Company will be owned as to [REDACTED]% by Golden Luck immediately after completion of the [REDACTED] and the [REDACTED] (assuming the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme). Golden Luck is legally and beneficially owned as to 99% by Mr. Wong. Under the SFO, Mr. Wong is deemed to be interested in the same number of Shares held by Golden Luck.
3. Ms. So is the spouse of Mr. Wong. Under the SFO, Ms. So is deemed to be interested in the same number of Shares in which Mr. Wong is interested.

(b) Negative statement regarding interests in securities

None of the Directors will immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme) have any discloseable interests (as referred to in (a) above) other than as disclosed at (a) above.

The Directors are not aware of any persons who will immediately following completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme) have a notifiable interest (for the purposes of the SFO) in the Shares or, having such a notifiable interest, have any short positions (within the meaning of the SFO) in the Shares, other than as disclosed at (a) above.

2. Particulars of Director's severice agreements and appointment letters

(a) Executive Directors

Each of the executive Directors [has entered] into a service agreement with the Company for an initial fixed term of three years commencing from the [REDACTED] Date.

(b) Independent non-executive Directors

Each of the independent non-executive Directors [has been] appointed for an initial fixed term of one year commencing from the [REDACTED] Date.

Save as disclosed in this document, none of the Directors has or is proposed to have entered into any service agreement or letter of appointment with any member of the Group (excluding agreements expiring or determinable by any member of the Group within one year without the payment of compensation other than statutory compensation).

3. Remuneration of the Directors

During each of the two years ended 31 December 2014 and the three-month period ended 31 March 2015, the aggregate emoluments paid and benefits in kind granted by the Group to the Directors were approximately HK\$1,627,000, HK\$1,734,000 and HK\$440,000, respectively.

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During each of the two years ended 31 December 2014 and the three-month period ended 31 March 2015, the aggregate of contributions to pension schemes for the Directors were approximately HK\$30,000, HK\$34,000 and HK\$10,000, respectively.

During each of the two years ended 31 December 2014 and the three-month period ended 31 March 2015, no bonus was paid to or receivable by the Directors.

None of the Directors or any past director(s) of any member of the Group has been paid any sum of money for each of the two years ended 31 December 2014 and the three-month period ended 31 March 2015 (a) as an inducement to join or upon joining the Company or (b) for loss of office as a director of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group.

[There has been no arrangement under which a Director has waived or agreed to waive any emolument for each of the two years ended 31 December 2014 and the three-month period ended 31 March 2015.]

Under the arrangements currently proposed, conditional upon the [REDACTED], the basic annual remuneration (excluding payment pursuant to any discretionary benefit or bonus or other fringe benefits) payable by the Group to each of the Directors will be as follows:

	<i>HK\$</i>
Executive Directors	
Mr. Wong	1,800,000
Ms. So	600,000
	<i>HK\$</i>
Independent non-executive Directors	
Mr. Chung Yuk Ming, Christopher	120,000
Mr. Fok Ka Chi	120,000
Mr. Tam Chun Chung	120,000

Each of the executive Directors and independent non-executive Directors is entitled to reimbursement of all necessary and reasonable out-of-pocket expenses properly incurred in relation to all business and affairs carried out by the Group from time to time or for providing services to the Group or executing their functions in relation to the Group's business and operations.

Save as disclosed in this document, no other emoluments have been paid or are payable, in respect of each of the two years ended 31 December 2014 and the three-month period ended 31 March 2015 by the Group to the Directors.

IV. Related Party Transactions

Details of the related party transactions are set out under Note 27 to the Accountants' Report set out in Appendix I to this document.

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V. Disclaimers

Save as disclosed in this document:

- (a) none of the Directors or chief executive has any interest or short position in any of the Shares, underlying Shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO, immediately after completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme), which will have 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 any of them is deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register as referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the “required standard of dealings” as contained in Chapter 5 of the GEM Listing Rules, in each case once the Shares are listed;
- (b) the Directors are not aware of any person (other than the Directors or the chief executive of the Company) who will, immediately after the completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares that may be issued upon the exercise of any options which may be granted under the Share Option Scheme) have an interest or short position in the Shares or underlying Shares which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or who will, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group;
- (c) none of the Directors or the experts under the paragraph headed “E. Other Information — 7. Qualifications of experts” in this appendix below has been directly or indirectly interested in the promotion of, or in any asset(s) which has or have been, within the two years immediately preceding the date of this document, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (d) none of the Directors nor the experts named under the paragraph headed “E. Other Information — 7. Qualifications of experts” in this appendix below is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the Group’s business;
- (e) none of the experts named under the paragraph headed “E. Other Information — 7. Qualifications of experts” in this appendix below has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

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D. SHARE OPTION SCHEME

1. Summary of terms of the Share Option Scheme

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Group to grant options to the eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high-caliber employees and attract human resources that are valuable to the Group or any entity in which any member of the Group holds any equity interest (the "Invested Entity"). As at the Latest Practical Date, there is no Invested Entity other than members of the Group, and the Group has not identified any potential Invested Entity for investment.

(b) Who may join

The Directors shall, in accordance with the provisions of the Share Option Scheme and the GEM Listing Rules, be entitled but shall not be bound at any time within a period of 10 years commencing from the date of the adoption of the Share Option Scheme to make an offer to any person belonging to the following classes:

- (i) any employee (whether full time or part time, including the Directors (including any non-executive Director and independent non-executive Director)) of the Company, its subsidiaries (within the meaning of Companies Ordinance) or any Invested Entity;
- (ii) any supplier of goods or services to any member of the Group or any Invested Entity;
- (iii) any customer of any member of the Group or any Invested Entity;
- (iv) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;
- (v) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
- (vi) any adviser (professional or otherwise), consultant, individual or equity who in the opinion of the Directors has contributed or will contribute to the growth and development of the Group;
- (vii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

and, for the purpose of the Share Option Scheme, the Offer may be made to any company wholly owned by one or more eligible participants.

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For the avoidance of doubt, the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of eligible participants shall not, by itself, unless the Directors otherwise determine, be construed as a grant of option under the Share Option Scheme.

The eligibility of any of the eligible participants to an offer shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution to the development and growth of the Group.

(c) Maximum number of Shares

- (i) The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Group shall not exceed 30% of the share capital of the Company in issue from time to time.
- (ii) The total number of Shares which may be allotted and issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the total number of Shares in issue at the time dealings in the Shares first commence on the Stock Exchange, being [40,000,000] Shares ("General Scheme Limit").
- (iii) Subject to (i) above and without prejudice to (iv) below, the Company may seek approval of its Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group must not exceed 10% of the Shares in issue as at the date of approval of the limit and for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with this Scheme and any other share option scheme of the Group) previously granted under the Share Option Scheme and any other share option scheme of the Group will not be counted.
- (iv) subject to (i) above and without prejudice to (iii) above, the Company may seek separate shareholders' approval in general meeting to grant options under the Share Option Scheme beyond the General Scheme Limit or, if applicable, the extended limit referred to in (iii) above to eligible participants specifically identified by the Company before such approval is sought.

(d) Maximum entitlement of each eligible participant

Subject to (e) below, the total number of Shares issued and which may fall to be issued upon exercise of the options under the Share Option Scheme and the options granted under any other share option scheme of the Group (including both exercised or outstanding options) to each Grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Where any further grant of options under the Share Option

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Scheme to a grantee under the Share Option Scheme would result in the Shares issued and to be issued upon exercise of all options granted and proposed to be granted to such person (including exercised, cancelled and outstanding options) under the Share Option Scheme and any other share option schemes of the Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by shareholders of the Company in general meeting with such grantee and his close associates (or his associates if the participant is a connected person) abstaining from voting.

(e) Grant of options to core connected persons

- (i) Without prejudice to (ii) below, the making of an offer under the Share Option Scheme to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of an option under the Share Option Scheme).
- (ii) Without prejudice to (i) above, where any grant of options under the Share Option Scheme to a substantial shareholder or an independent non-executive Director or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options under the Share Option Scheme already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
 - (a) representing in aggregate over 0.1% of the Shares in issue; and
 - (b) having an aggregate value, based on the closing price of the Shares at the offer date of each offer, in excess of HK\$5 million;

such further grant of options must be approved by the shareholders of the Company in general meeting. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.

For the purpose of seeking the approval of the shareholders of the Company under paragraphs (c), (d) and (e) above, the Company must send a circular to the shareholders containing the information required under the GEM Listing Rules and where the GEM Listing Rules shall so require, the vote at the shareholders' meeting convened to obtain the requisite approval shall be taken on a poll with those persons required under the GEM Listing Rules abstaining from voting.

(f) Time of acceptance and exercise of an option

An offer under the Share Option Scheme may remain open for acceptance by the eligible participants concerned (and by no other person) for a period of up to 21 days from the date, which must be a Business Day, on which the offer is made.

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In respect of any particular option under the Share Option Scheme, a period (which may not expire later than 10 years from the offer date of that option) to be determined and notified by the Directors to the grantee thereof and, in the absence of such determination, from the date of acceptance of the offer of such option to the earlier of (i) the date on which such option lapses under the relevant provisions of the Share Option Scheme; and (ii) the date falling 10 years from the offer date of that option.

An offer shall have been accepted by an eligible participant in respect of all Shares which are offered to such eligible participant when the duplicate letter comprising acceptance of the offer duly signed by the eligible participant together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within such time as may be specified in the offer (which shall not be later than 21 days from the offer date). Such remittance shall in no circumstances be refundable.

Any offer may be accepted by an eligible participant in respect of less than the number of Shares which are offered provided that it is accepted in respect of a board lot for dealings in the Shares on GEM or an integral multiple thereof and such number is clearly stated in the duplicate letter comprising acceptance of the offer duly signed by such eligible participant and received by the Company together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof within such time as may be specified in the offer (which shall not be later than 21 days from the offer date). Such remittance shall in no circumstances be refundable.

(g) Performance targets

Unless otherwise determined by the Directors and stated in the offer to a grantee, a grantee is not required to hold an option for any minimum period nor achieve any performance targets before the exercise of an option granted to him.

(h) Subscription price for Shares

The subscription price in respect of any option shall, subject to any adjustments made pursuant to paragraph (s) below, be at the discretion of the Directors, provided that it shall not be less than the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the offer date;
- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the offer date; and
- (iii) the nominal value of a Share.

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(i) Ranking of Shares

Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the then existing fully paid Shares in issue on the date on which the option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the "Exercise Date") and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. A Share allotted and issued upon the exercise of an option shall not carry voting rights until the name of the grantee has been duly entered on the register of members of the Company as the holder thereof.

(j) Restrictions on the time of grant of options

For so long as the Shares are listed on the Stock Exchange, an offer may not be made after inside information has come to the Company's knowledge until it has announced the information. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for the approval of the Company's results for any year, half-year, quarter-year period or any other interim period (whether or not required under the GEM Listing Rules); and (ii) the deadline for the Company to publish announcements of its results for any year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules), and ending on the date of the results announcement, no Offer may be made; and

The Directors may not make any offer to an eligible participant who is a Director during the periods or times in which the Directors are prohibited from dealing in Shares under such circumstances as prescribed by the GEM Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

(k) Period of the Share Option Scheme

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted.

(l) Rights of ceasing employment

If the Grantee is an eligible employee and in the event of his ceasing to be an eligible employee for any reason other than his death, ill-health or retirement in accordance with his contract of employment or the termination of his employment on one or more of the grounds specified in (n) below before exercising the option in full, the option (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable unless the Directors otherwise determine in which event the grantee may exercise the option (to the extent not already exercised) in whole or in part within such period as the Directors may determine following the date of such cessation or termination. The date of cessation or

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termination as aforesaid shall be the last day on which the grantee was actually at work with the Company or the relevant subsidiary or the Invested Entity whether salary is paid in lieu of notice or not.

(m) Rights on death, ill-health or retirement

If the Grantee is an eligible employee and in the event of his ceasing to be an eligible employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the option in full, his personal representative(s) or, as appropriate, the grantee may exercise the option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation of employment which date shall be the last day on which the grantee was at work with the Company or the relevant subsidiary or the Invested Entity whether salary is paid in lieu of notice or not.

(n) Rights on dismissal

In respect of a grantee who is an eligible employee, the date on which the grantee ceases to be an eligible employee by reason of termination of his employment on the grounds that he has been guilty of persistent or serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the grantee or the Group into disrepute), such option (to the extent not already exercised) shall lapse automatically and shall not in any event be exercisable on or after the date of cessation to be an eligible employee.

(o) Rights on breach of contracts

In respect of a grantee other than an eligible employee, the date on which the Directors shall at their absolute discretion determine that (i) (aa) such grantee has committed any breach of any contract entered into between such grantee on the one part and the Group or any Invested Entity on the other part; or (bb) such grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (cc) such grantee could no longer make any contribution to the growth and development of the Group by reason of the cession of its relations with the Group or by any other reason whatsoever; and (ii) the option shall lapse automatically (to the extent not excised) and shall not in any event be exercised on or after the date on which the Directors have so determined.

(p) Rights on a general offer, a compromise or arrangement

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of the Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, the Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, the grantee shall,

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notwithstanding any other terms on which his option was granted, be entitled to exercise the option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in exercise of his option at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement, as the case may be. Subject to the above, an option will lapse automatically (to the extent not exercised) on the date on which such offer (or, as the case may be, revised offer) closes.

(q) Rights on winding up

In the event of a resolution being proposed for the voluntary winding-up of the Company during the option period, the grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than two Business Days before the date on which such resolution is to be considered and/or passed, exercise his option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the Share Option Scheme and the Company shall allot and issue to the grantee the Shares in respect of which such grantee has exercised his option not less than one Business Day before the date on which such resolution is to be considered and/or passed whereupon he shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up of the Company.

(r) Grantee being a company wholly owned by eligible participants

If the grantee is a company wholly owned by one or more eligible participants:

- (i) the provisions of paragraphs (m), (l), (n) and (o) above shall apply to the grantee and to the option granted to such grantee, *mutatis mutandis*, as if such option had been granted to the relevant eligible participant, and such option shall accordingly lapse or fall to be exercisable after the event(s) referred to in paragraphs (m), (l), (n) and (o) above shall occur with respect to the relevant eligible participant; and
- (ii) the options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly owned by the relevant eligible participant provided that the Directors may in their absolute discretion decide that such options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

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(s) Adjustment of the subscription price

In the event of any alteration in the capital structure of the Company whilst any option remains exercisable or the Share Option Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation or sub-division of the Shares, or reduction of the share capital of the Company, then, in any such case the Company shall instruct the auditors or an independent financial adviser to certify in writing the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:

- (i) the number or nominal amount of Shares to which the Share Option Scheme or any option(s) relate(s) (insofar as it is/they are unexercised); and/or
- (ii) the subscription price of any option; and/or
- (iii) (unless the relevant grantee elects to waive such adjustment) the number of Shares comprised in an option or which remain comprised in an option,

and an adjustment as so certified by the auditors or such independent financial adviser shall be made, provided that:

- (i) any such adjustment shall give the grantee the same proportion of the issued share capital of the Company (as interpreted in accordance with the supplemental guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes) for which such grantee would have been entitled to subscribe had he exercised all the options held by him immediately prior to such adjustment;
- (ii) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;
- (iii) the issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and
- (iv) any such adjustment shall be made in compliance with the GEM Listing Rules and such rules, codes and guidance notes of the Stock Exchange from time to time.

In respect of any adjustment referred to above, other than any adjustment made on a capitalisation issue, the auditors or such independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the GEM Listing Rules and the supplemental guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes.

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(t) Cancellation of options

Subject to the provisions in the Share Option Scheme and the GEM Listing Rules, any option granted but not exercised may not be cancelled except with the prior written consent of the relevant grantee and the approval of the Directors.

Where the Company cancels any option granted to a grantee but not exercised and issues new option(s) to the same grantee, the issue of such new Option(s) may only be made with available unissued options (excluding, for this purpose, the options so cancelled) within the General Scheme Limit or the limits approved by the shareholders of the Company pursuant to paragraph (c)(ii) or (c)(iv) above.

(u) Termination of the Share Option Scheme

The Company by an ordinary resolution in general meeting may at any time terminate the operation of the Share Option Scheme and in such event no further options will be offered but in all other respects the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options (to the extent not already exercised) granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme and options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(v) Right of personal to the grantee

An option shall be personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any option or enter into any agreement so to do. Any breach of the foregoing by a grantee shall entitle the Company to cancel any option granted to such grantee to the extent not already exercised.

(w) Lapse of option

An option shall lapse authentically (to the extent not already exercised) on the earliest of (i) the expiry of the option period in respect of such option; (ii) the expiry of the periods or dates referred to in paragraphs (l), (m), (n), (o), (p), (q) and (r) above; or (iii) the date on which the Directors exercise the Company's right to cancel the option by reason of a breach of paragraph (v) above.

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(x) *Others*

- (i) The Share Option Scheme is conditional upon:
 - (a) the Stock Exchange granting the listing of and permission to deal in such number of Shares representing the General Scheme Limit to be allotted and issued by the Company pursuant to the exercise of options in accordance with the terms and conditions of the Share Option Scheme; and
 - (b) the passing of the necessary resolution to approve and adopt the Share Option Scheme in general meeting or by way of written resolution of the Shareholders of the Company.
- (ii) The provisions of the Share Option Scheme relating to the matters governed by Rule 23.03 of the GEM Listing Rules shall not be altered to the advantage of grantees or prospective grantees except with the prior sanction of a resolution of the Company in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the grantees as would be required of the holders of the Shares under the articles of association for the time being of the Company for a variation of the rights attached to the Shares.
- (iii) any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of options granted shall be approved by the Shareholders except where the alterations take effect automatically under the existing terms of the Share Option Scheme.
- (iv) The terms of the Share Option Scheme and/or any options amended must comply with the applicable requirements of the GEM Listing Rules.
- (v) Any change to the authority of the Directors or the administrators of the Share Option Scheme in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting.

2. Present status of the Share Option Scheme

Application has been made to the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued within the General Scheme Limit pursuant to the exercise of any options which may be granted under the Share Option Scheme.

As at the date of this document, no option has been granted or agreed to be granted under the Share Option Scheme.

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E. OTHER INFORMATION

1. Tax and other indemnities

The Indemnifiers have, under a Deed of Indemnity as referred to in the paragraph headed "B. Further Information about the Business of the Group — 1. Summary of material contracts" in this appendix, given joint and several indemnities to the Company (for themselves and as trustee for and on behalf of the Company's subsidiaries) in connection with, among other things:

- (a) any taxation (including estate duty) falling on any member of the Group resulting from or by reference to any income, profits, gains, transactions, events, matters or things earned, accrued, received, entered into (or deemed to be so earned, accrued, received or entered into) or occurring on or before the date on which the [REDACTED] becomes unconditional and
- (b) all costs which any member of the Group may incur, suffer or accrue, directly or indirectly from or on the basis of or in connection with any alleged or actual violation or non-compliance by any member of the Group with any laws, regulations or administrative orders or measures in Hong Kong on or before the date on which the [REDACTED] becomes unconditional, if any.

The Indemnifiers will, however, not be liable under the Deed of Indemnity to the extent that, among others:

- in relation to items (a) and (b) above, specific provision, reserve or allowance has been made for such liability in the audited combined accounts of the Company or any member of the Group for the Track Record Period;
- in relation to item (a) above, the taxation liability arises or is incurred as a result of a retrospective change in law or a retrospective increase in tax rates coming into force after the date on which the [REDACTED] becomes unconditional; or
- in relation to item (a) above, the taxation liability arises in the ordinary course of business of any member of the Group or in the ordinary course of acquiring and disposing of capital assets after the date on which the [REDACTED] becomes unconditional.

The Directors have been advised that no material liability for estate duty under the laws of the Cayman Islands and BVI is likely to fall on the Group, and the estate duty under the laws of Hong Kong has been abolished.

2. Litigation

To the best knowledge of the Directors, save as disclosed in this document, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries were/was engaged in any litigation, arbitration or claims of material importance, and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened by or against the Group, that would have a material adverse effect on its results of operations or financial condition.

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3. Application for listing of Shares

The Company has applied to the [REDACTED] Division for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the [REDACTED] and the [REDACTED] as mentioned herein and any Shares which may be issued upon the exercise of the [REDACTED] and any options which may be granted under the Share Option Scheme. All necessary arrangements have been made to enable the securities to be admitted into CCASS.

4. Compliance adviser

In accordance with the requirements of the GEM Listing Rules, the Company has appointed Messis Capital as its compliance adviser to provide advisory services to the Company to ensure compliance with the GEM Listing Rules for a period commencing on the [REDACTED] Date and ending on the date on which the Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the second full financial year commencing after the [REDACTED] Date.

5. Preliminary expenses

The estimated preliminary expenses relating to the incorporation of the Company are approximately HK\$48,828 and have been payable by the Company.

6. Promoter

The Company does not have any promoter.

7. Qualifications of experts

The following are the qualifications of the experts who have given opinion or advice which are contained in this document:

Name	Qualifications
Messis Capital	A corporation licensed to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Conyers Dill & Pearman	Legal advisers to the Company as to Cayman Islands law
Deloitte Touche Tohmatsu	Certified public accountants
ONC Lawyers	Legal advisers to the Company as to Hong Kong law
Baker Tilly	Internal control consultant

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8. Consents of experts

Each of Messis Capital, Conyers Dill & Pearman, Deloitte Touche Tohmatsu, ONC Lawyers and Baker Tilly has given and has not withdrawn their respective consent to the issue of this document with the inclusion of their reports and/or letter or opinion (as the case may be) and reference to their respective names included in the form and context in which they respectively appears.

9. Fees of Sponsor

The Sponsor will receive a sponsorship, financial advisory and documentation fee of a total amount of HK\$4.15 million in relation to the [REDACTED].

10. Independence of the Sponsor

Neither the Sponsor nor any of its associates has accrued any material benefit as a result of the successful outcome of the [REDACTED], other than the following:

- (a) by way of sponsorship, financial advisory and documentation fee to be paid to the Sponsor for acting as the sponsor of the [REDACTED]; and
- (b) by way of the compliance advisory fee to be paid to Messis Capital as the Company's compliance adviser pursuant to the requirements under Rule 6A.19 of the GEM Listing Rules.

No director or employee of the Sponsor who is involved in providing advice to the Company has or may have, as a result of the [REDACTED], any interest in any class of securities of the Company or any of its subsidiaries. None of the directors and employees of the Sponsor has any directorship in the Company or any other companies comprising the Group. The Sponsor is independent from the Group under Rule 6A.07 of the GEM Listing Rules.

11. Binding effect

This document shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

12. Share Register

The register of members of the Company will be maintained in the Cayman Islands by Codan Trust Company (Cayman) Limited and the branch register of members will be maintained in Hong Kong by [REDACTED]. Save where the Directors otherwise agree, all transfers and other documents of title to Shares must be lodged for registration with, and registered by, the branch share registrar in Hong Kong and may not be lodged in the Cayman Islands.

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13. Taxation of holders of Shares

(a) *Hong Kong*

Dealings in Shares registered on the Company's Hong Kong register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration or, if higher, the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(b) *The Cayman Islands*

Under the present Companies Law, transfers and other dispositions of Shares are exempt from Cayman Islands stamp duty.

(c) *Consultation with professional advisers*

Intending holders of Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in the Shares or exercising any rights attaching to them. It is emphasised that none of the Company, the Directors or the other parties involved in the [REDACTED] can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares or exercising any rights attaching to them.

14. Miscellaneous

Save as disclosed herein:

- (a) within the two years immediately preceding the date of this document:
 - (i) no share or loan capital of the Company or any of its subsidiaries has been allotted and issued, agree to be allotted and issued or is proposed to be allotted and issued fully or partly paid either for cash or for a consideration other than cash;
 - (ii) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of the Company or any of its subsidiaries;
 - (iii) no commission has been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares; and
 - (iv) no founder, management or deferred shares of the Company have been allotted and issued or agreed to be allotted and issued;
- (b) no share, warrant or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

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- (c) the Directors confirm that, up to the Latest Practicable Date, there has been no material adverse change in the financial or trading position or prospects of the Group since 31 March 2015, being the date on which the latest audited financial information of the Group was reported in the Accountants' Report set out in Appendix I to this document; and
- (d) the Directors confirm that there has not been any interruption in the business of the Group which may have or have had a significant effect on the financial position of the Group in the 24 months immediately preceding the date of this document.

15. Bilingual Document

Pursuant to section 4 of the Company Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong), the English language and Chinese language versions of this document are being published separately.