

CONNECTED TRANSACTIONS

OVERVIEW

On [●] 2017, our Group entered into the following transaction with certain connected persons of our Company, which will continue and constitute continuing connected transaction (as defined under Chapter 20 of the GEM Listing Rules) of our Company upon the [REDACTED].

CONTINUING CONNECTED TRANSACTION FULLY EXEMPT FROM THE RELEVANT REPORTING, ANNOUNCEMENT AND SHAREHOLDERS’ APPROVAL REQUIREMENTS

Set out below is a summary of the continuing connected transaction of our Company, which is fully exempt from the relevant reporting, announcement and Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules. Our Directors confirm that the transaction set out in this section was carried out on normal commercial terms.

The PRC Lease Agreement

Background

On [●] 2017, Guangzhou World-Link as tenant and Mr. Li JM, Mr. Li JX and their three brothers together as landlords entered into a lease agreement for the leasing of the property located at Units 1301 and 1302, 13/F, Citic Plaza, No. 233 Tianhe Road North, Guangzhou, Guangdong Province (the “**PRC Lease Agreement**”). The term of the lease shall commence from the [REDACTED] until 31 December 2019 at a monthly rental of RMB56,179.5 (exclusive of management fee and other expenses). The leased property will be used mainly as the office of our Group.

The PRC Lease Agreement will continue after the [REDACTED]. It is proposed that the annual caps for the rental payable under the PRC Lease Agreement will be RMB[675,000] for each of the three years ending 31 December 2017, 2018 and 2019. As confirmed by our Directors, the rental payable under the PRC Lease Agreement was determined after arm’s length negotiations between the parties to the agreement and with reference to prevailing rental rate of similar office premises in the vicinity.

Listing Rules implications

Mr. Li JM and Mr. Li JX are the executive Directors and Controlling Shareholders, and hence they are connected persons of our Company pursuant to Rule 20.07 of the GEM Listing Rules. Further, by virtue of the parties entering into the PRC Lease Agreement, the brothers of Mr. Li JM and Mr. Li JX are considered to be deemed connected persons of our Company under Rules 20.18 and 20.19 of the GEM Listing Rules. As such, the PRC lease agreement, which will continue and subsist upon the [REDACTED], constitutes a continuing connected transaction of our Company under Chapter 20 of the GEM Listing Rules.

As each of the applicable percentage ratio(s) (as defined in Rule 19.07 of the GEM Listing Rules) (other than the profit ratio) with respect to the transaction contemplated under the PRC Lease Agreement is on an annual basis less than 5% and the annual consideration is less than HK\$3,000,000, the PRC Lease Agreement is fully exempt from the reporting, annual review, announcement and independent shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.