

**A. FURTHER INFORMATION ABOUT OUR COMPANY AND ITS SUBSIDIARIES****1. Incorporation of our Company**

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 26 February 2016. Our Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. We have established a principal place of business in Hong Kong at Unit 3403, 34/F., AIA Tower, 183 Electric Road, North Point, Hong Kong and was registered with the Companies Registry of Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on 6 June 2016, with Mr. Sou appointed as the authorised representative of our Company for acceptance of service of process and notices in Hong Kong.

As our Company was incorporated in the Cayman Islands, it operates subject to the Companies Law, the Memorandum and Articles. A summary of certain provisions of our Memorandum and Articles and relevant aspects of the Companies Law is set forth in Appendix III to this prospectus.

**2. Change in share capital of our Company**

- (a) Our Company was incorporated in the Cayman Islands on 26 February 2016 with an authorised share capital of HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each.
- (b) On 26 February 2016, one nil-paid Share was allotted and issued to the initial subscriber, which was transferred to Mr. Sou on the same date at nil consideration.
- (c) On 31 May 2016, our Company, through New Pilot Global, acquired 935,500 shares, 356,500 shares and 408,000 shares of World Super from Mr. Sou, Ms. Chu and Mr. Fok respectively, and in consideration of which our Company credited as fully paid the one nil-paid subscriber Share held by Mr. Sou and allotted and issued 54, 21 and 24 fully paid up Shares to Mr. Sou, Ms. Chu and Mr. Fok respectively.
- (d) On 28 May 2018, Mr. Sou acquired 10 Shares (representing 10% of our Company's entire issued share capital) from Ms. Chu at a consideration of HK\$3,400,000.
- (e) On 30 November 2018, our Company allotted and issued eight fully paid up Shares to Mr. Sou at a consideration of HK\$3,000,000.
- (f) On 24 June 2019, upon conversion of the Convertible Bonds, our Company allotted and issued 12, 6 and 18 fully paid up Shares to each of Integrated Asset Management, Mr. Yang and Rosy Dragon Global, respectively (representing approximately 8.33%, 4.17% and 12.50% of the entire issued share capital of our Company, respectively).

- (g) Pursuant to the written resolutions of our Shareholders passed on 21 June 2019, the authorised share capital of our Company was increased from HK\$380,000 to HK\$80,000,000 by the creation of an additional 7,962,000,000 Shares.
- (h) A total of 150,000,000 new Shares, representing 25% of the total issued share capital of our Company immediately after the Reorganisation and completion of the Capitalisation Issue (without taking into account any Share which may be allotted and issued pursuant to the exercise of any option which may be granted under the Share Option Scheme) will be initially offered to the public by way of Share Offer.
- (i) Conditional on the share premium account of our Company being credited with the proceeds from the Share Offer, HK\$4,499,998.56 will be capitalised from the share premium account of our Company and applied in paying up in full 449,999,856 Shares which will be allotted and issued to the existing Shareholders, being Mr. Sou as to 228,124,927 Shares, Ms. Chu as to 34,374,989 Shares, Mr. Fok as to 74,999,976 Shares, Integrated Asset Management as to 37,499,988 Shares, Mr. Yang as to 18,749,994 Shares and Rosy Dragon Global as to 56,249,982 Shares, on or prior to Listing.
- (j) Immediately following completion of the Capitalisation Issue and the Share Offer (without taking into account any Share which may be allotted and issued pursuant to the exercise of any option which may be granted under the Share Option Scheme), the issued share capital of our Company will be HK\$6,000,000 divided into 600,000,000 Shares, all fully paid or credited as fully paid and 7,400,000,000 Shares will remain unissued. Other than pursuant to the exercise of any option which may be granted under the Share Option Scheme, our Directors do not have any present intention to issue any part of the authorised but unissued share capital of our Company and, without the prior approval of the Shareholders at general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Save as aforesaid and as mentioned in the paragraph headed “Statutory and General Information — 3. Written resolutions of our Shareholders passed on 21 June 2019” in this appendix, there has been no alteration in the share capital of our Company since its incorporation.

### **3. Written resolutions of our Shareholders passed on 21 June 2019**

Pursuant to the written resolutions of our Shareholders passed on 21 June 2019, among other things:

- (a) the authorised share capital of our Company was increased from HK\$380,000 to HK\$80,000,000 by the creation of an additional 7,962,000,000 Shares;
- (b) the amended and restated Memorandum and Articles were conditionally approved and adopted to take effect on the Listing Date;
- (c) conditional on the conditions as set out in the paragraph headed “Structure and Conditions of the Share Offer — Conditions of the Share Offer” in this prospectus:

- (i) the Share Offer was approved and our Directors were authorised to allot and issue the Offer Shares;
- (ii) conditional on the share premium account of our Company being credited as a result of the Share Offer, our Directors were authorised to capitalise an amount of HK\$4,499,998.56 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 449,999,856 Shares for allotment and issue to the following Shareholders:

<b>Shareholder</b>	<b>Number of Shares to be allotted and issued</b>
Mr. Sou	228,124,927
Ms. Chu	34,374,989
Mr. Fok	74,999,976
Integrated Asset Management	37,499,988
Mr. Yang	18,749,994
Rosy Dragon Global	56,249,982

- (iii) the rules of the Share Option Scheme were approved and adopted and our Directors were authorised to implement the same, grant options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any option which may be granted under the Share Option Scheme;
- (iv) a general unconditional mandate was given to our Directors to exercise all the powers of our Company to allot, issue and deal with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be allotted and issued), otherwise than pursuant to, or in consequence of a rights issue or an issue of Shares upon the exercise of any subscription rights attached to any warrants of our Company or pursuant to the exercise of any option which may be granted under the Share Option Scheme or under any other option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of our Company and/or any of our subsidiaries of shares or rights to acquire shares or any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares of our Company in lieu of the whole or part of a dividend on Shares in accordance with the Articles or other similar arrangement or pursuant to a specific authority granted by the Shareholders at general meeting, Shares with a total number (1) not exceeding 20% of the aggregate of the total number of our Shares in issue immediately following completion of the Capitalisation Issue and the Share Offer (without taking into account any Share which may be allotted or issued pursuant to the exercise of any option which may be granted under the Share Option Scheme); and (2) the aggregate number of Shares repurchased under the Repurchase Mandate as defined in paragraph (v) below, such mandate shall remain in effect until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of our Company;
  - (2) the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles or any other applicable laws of the Cayman Islands; and
  - (3) the passing of an ordinary resolution of the shareholders of our Company in a general meeting revoking, varying or renewing such mandate.
- (v) a general unconditional mandate (the “**Repurchase Mandate**”) was granted to our Directors to exercise all powers of our Company to repurchase on the Stock Exchange or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, such number of Shares as will represent up to 10% of the number of our Shares in issue immediately following completion of the Capitalisation Issue and the Share Offer (without taking into account any Share which may be allotted or issued pursuant to the exercise of any option which may be granted under the Share Option Scheme), such mandate shall remain in effect until the earliest of:
- (1) the conclusion of the next annual general meeting of our Company;
  - (2) the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles or any other applicable laws of the Cayman Islands; and
  - (3) the passing of an ordinary resolution of the shareholders of our Company at a general meeting revoking, varying or renewing such mandate; and
- (vi) the general unconditional mandate to issue Shares mentioned in paragraph (iv) above be extended by the addition of an amount representing the aggregate number of Shares repurchased by the Company pursuant to the mandate to repurchase Shares mentioned in paragraph (v) above provided such extended amount shall not exceed 10% of the total number of the Shares in issue immediately following completion of the Capitalisation Issue and the Share Offer (without taking into account any Share which may be allotted or issued pursuant to the exercise of any option which may be granted under the Share Option Scheme).

#### 4. Corporate reorganisation

The companies comprising our Group underwent a reorganisation in preparation for the Listing. Following the Reorganisation, our Company became the holding company of our Group.

A diagram showing our Group structure after the Reorganisation and immediately upon completion of the Capitalisation Issue and the Share Offer (assuming that no Share has been allotted and issued pursuant to the exercise of any option which may be granted under the Share Option Scheme) is set out in the paragraph headed “History, Reorganisation and Corporate Structure — Shareholding structure immediately after completion of the Share Offer” in this prospectus.

#### 5. Changes in share capital of subsidiaries of our Group

Our subsidiaries are referred to in the Accountants’ Report, the text of which is set forth in Appendix I to this prospectus. Save for the subsidiaries mentioned in Appendix I to this prospectus, our Company has no other subsidiaries.

Save as disclosed in the paragraph headed “History, Reorganisation and Corporate Structure — Reorganisation” in this prospectus, no alteration in the share capital of our subsidiaries has taken place within two years immediately preceding the date of this prospectus.

#### 6. Repurchase by our Company of our own securities

##### *(a) Provisions of the GEM Listing Rules*

The GEM Listing Rules permit companies with a primary listing on GEM to repurchase their own securities on GEM subject to certain restrictions, details 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 listed on GEM must be approved in advance by an ordinary resolution of the shareholders at a general meeting, either by way of general mandate or by specific approval of a particular transaction.

##### *(ii) Sources of funds*

Any repurchase must be financed out of funds legally available for such purpose in accordance with the Articles and any applicable laws of the Cayman Islands.

(iii) *Core connected persons*

Under the GEM Listing Rules, a company shall not knowingly repurchase shares on the Stock Exchange from a core connected person (as defined in the GEM Listing Rules), which includes a director, chief executive or substantial shareholder of the company or any of its subsidiaries and a core connected person shall not knowingly sell his/her shares to the company on GEM.

(b) *Reasons for repurchases*

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

(c) *Funding of repurchases*

In repurchasing Shares, our Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws and regulations of the Cayman Islands. A listed company is prohibited from repurchasing 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 from time to time.

Under Cayman Islands laws, any repurchase by our Company may be made out of the profits of our Company or out of the proceeds of a fresh issue of share made for the purpose of the repurchase or, if authorised by the Articles and subject to the Companies Law, out of capital and, in case of any premium payable on the repurchase, out of profits of the Company or from sums standing to the credit of the share premium accounts of our Company, or if authorised by the Articles and subject to the Companies Law, out of capital.

(d) *General*

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the GEM Listing Rules), have any present intention, if the Repurchase Mandate is exercised, to sell any Share to our Company or our subsidiaries.

Our 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.

No core connected person (as defined in the GEM Listing Rules) of our Company has notified our Company of intention to sell Shares to our Company, or such persons have undertaken not to do so, in the event that the Repurchase Mandate is exercised.

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

## **B. FURTHER INFORMATION ABOUT THE BUSINESS OF OUR 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 our Group within the two years preceding the date of this prospectus and are or may be material:

- (a) an instrument (the "**Trade Mass Instrument**") executed by our Company on 30 May 2016 constituting the 8 per cent. coupon convertible bonds in the aggregate principal amount of HK\$6,000,000;
- (b) an instrument (the "**Rosy Dragon Global Instrument**") executed by our Company on 30 May 2016 constituting the 8 per cent. coupon convertible bonds in the aggregate principal amount of HK\$6,000,000;
- (c) a supplemental instrument to the Trade Mass Instrument executed by our Company on 28 March 2017 extending the original maturity date as stipulated under the Trade Mass Instrument from 30 May 2017 to 30 May 2018;
- (d) a supplemental instrument to the Rosy Dragon Global Instrument executed by our Company on 28 March 2017 extending the original maturity date as stipulated under the Rosy Dragon Global Instrument from 30 May 2017 to 30 May 2018;
- (e) a supplemental agreement dated 4 May 2018 made between our Company and Trade Mass confirming the parties' agreement to extend the maturity date for one further year from 30 May 2018 to 30 May 2019 as stipulated under the Trade Mass Instrument (as supplemented by a supplemental instrument dated 28 March 2017);




- (f) a supplemental agreement dated 4 May 2018 made between our Company and Rosy Dragon Global confirming the parties' agreement to extend the maturity date for one further year from 30 May 2018 to 30 May 2019 as stipulated under the Rosy Dragon Global Instrument (as supplemented by a supplemental instrument dated 28 March 2017);
- (g) a deed of adherence dated 18 December 2018 made between our Company and Integrated Asset Management in relation to, among others, Integrated Asset Management's undertaking to adhere to and be bound by the terms and conditions of a subscription agreement made between our Company as issuer and Trade Mass as subscriber on 30 May 2016 regarding the 8 per cent. coupon convertible bonds in the aggregate principal amount of HK\$4,000,000 to be issued by our Company which had been acquired by Integrated Asset Management from Trade Mass at a consideration of HK\$4,000,000 on 18 December 2018;
- (h) a deed of adherence dated 18 December 2018 made between our Company and Mr. Yang in relation to, among others, Mr. Yang's undertaking to adhere to and be bound by the terms and conditions of a subscription agreement made between our Company as issuer and Trade Mass as subscriber on 30 May 2016 regarding the 8 per cent. coupon convertible bonds in the aggregate principal amount of HK\$2,000,000 to be issued by our Company which had been acquired by Mr. Yang from Trade Mass at a consideration of HK\$2,000,000 on 18 December 2018;
- (i) a supplemental agreement dated 24 May 2019 made between our Company and Integrated Asset Management confirming the parties' agreement to extend the maturity date of the 8 per cent. coupon convertible bonds in the aggregate principal amount of HK\$4,000,000 for three further months from 30 May 2019 to 31 August 2019;
- (j) a supplemental agreement dated 24 May 2019 made between our Company and Mr. Yang confirming the parties' agreement to extend the maturity date of the 8 per cent. coupon convertible bonds in the aggregate principal amount of HK\$2,000,000 for three further months from 30 May 2019 to 31 August 2019;
- (k) a supplemental agreement dated 24 May 2019 made between our Company and Rosy Dragon Global confirming the parties' agreement to extend the maturity date of the 8 per cent. coupon convertible bonds in the aggregate principal amount of HK\$6,000,000 for three further months from 30 May 2019 to 31 August 2019;
- (l) the Deed of Indemnity;
- (m) the Deed of Non-competition; and
- (n) the Public Offer Underwriting Agreement.



## 2. Intellectual property rights of our Group

### (a) Trademark

As at the Latest Practicable Date, we had registered the following trademark which we believe is material to our business:

Trademark	Place of Registration	Class	Registered owner	Registration number	Registration date	Expiry date
	Hong Kong	7 (Note)	World Super	303613680	1 December 2015	30 November 2025

Note:

*Class and specification under class 7: compressors (machines), drilling machines, electric hammers, generators of electricity, machines and machine tools, motors and engines (except for land vehicles).*

### (b) Domain name

As at the Latest Practicable Date, we had registered the following domain name which we believe is material to our business:

Domain name	Name of registrant	Registration date	Expiry Date
www.worldsuperhk.com	World Super	20 July 2015	20 July 2019

Save as aforesaid, there are no other trade or service mark, patent, copyright, other intellectual or industrial property right which we believe are material to our Group's business.

## C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

### 1. Directors

#### (a) Disclosure of interests

So far as our Directors are aware, immediately following completion of the Capitalisation Issue and the Share Offer (without taking into account any Share which may be allotted and issued pursuant to the exercise of any option which may be granted under the Share Option Scheme), the interests or short positions of our Directors or chief executive of our Company in the Shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our 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 taken under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register, or which will be required to be notified to our Company and Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, once the Shares are listed are as follows:

*Long position*

<b>Name of Director</b>	<b>Nature of interest</b>	<b>Number of Shares</b>	<b>Approximate percentage of shareholding in our Company</b>
Mr. Sou	Beneficial interest and interest of spouse	262,500,000 ( <i>Note</i> )	43.75%
Mr. Fok	Beneficial interest	75,000,000	12.50%

*Note:* Out of the 262,500,000 Shares, 228,125,000 Shares are registered in the name of Mr. Sou and the remaining 34,375,000 Shares are registered in the name of Ms. Chu. As Ms. Chu is the spouse of Mr. Sou, Mr. Sou is deemed to be interested in all the Shares which Ms. Chu is regarded to be interested in under the SFO.

**(b) *Particulars of service contracts and letters of appointment****Executive Directors*

Each of our executive Directors had entered into a service contract with our Company on 21 June 2019 for an initial fixed term of three years commencing from the Listing Date, renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term of appointment, unless terminated by not less than three months' notice in writing served by either party on the other expiring at the end of the initial term or any time thereafter. In addition, our executive Directors are subject to retirement at annual general meetings of our Company at least once every three years pursuant to the Articles and the GEM Listing Rules.

Commencing from the Listing Date, each of our executive Directors is entitled to an initial annual salary as set out below, and such salary is to be reviewed annually by our Board and our Remuneration Committee. In addition, each of our executive Directors is entitled to such discretionary bonus as our Board and our Remuneration Committee may approve, provided that the relevant executive Director shall abstain from voting and not be counted in the quorum in respect of any resolution of our Board approving the amount of annual salary, management bonus and other benefits payable to him. The annual emoluments of Mr. Sou and Mr. Fok are HK\$1,380,000 and HK\$192,000, respectively.

*Non-executive Director and independent non-executive Directors*

Each of our non-executive Director and independent non-executive Directors had entered into a letter of appointment with our Company on 21 June 2019. Each letter of appointment is for an initial term commencing from the date of the letter of appointment and shall continue thereafter until 30 June 2020, provided that either party can at any time terminate the appointment by serving the other party not less than one month's notice in writing. The appointment may be extended for such period as each non-executive Director or independent non-executive Director and our Company may agree in writing provided that under the Articles and the GEM Listing Rules, every Director (including non-executive Director and independent non-executive Director) shall be subject to retirement at an annual general meeting at least once every three years. Commencing from the Listing Date, our non-executive Director is entitled to an annual director's fee of HK\$144,000, and each of our independent non-executive Directors is entitled to an annual director's fee of HK\$120,000.

Save for directors' fees, none of our non-executive Director or independent non-executive Directors is expected to receive any other remuneration for holding their office as a non-executive Director or an independent non-executive Director of our Company.

Save as aforesaid, none of our Directors has or is proposed to have a service contract or letter of appointment with our Company or any of our subsidiaries (other than contracts expiring or determinable by the Group within one year without the payment of compensation (other than statutory compensation)).

**(c) *Directors' emolument***

During the Track Record Period, the aggregate of the emoluments (including salaries and allowance) paid and benefits in kind granted by our Group to our Directors for the three years ended 31 December 2018 were approximately HK\$2.0 million, HK\$2.0 million and HK\$1.9 million, respectively. Details are set out in Note 12 in Appendix I to this prospectus.

Under the arrangements currently in force, the aggregate amount of emoluments (excluding any discretionary bonus, if any, payable to our Directors) payable by our Group to our Directors for the year ending 31 December 2019 is estimated to be approximately HK\$1.8 million.

None of our Directors or any past director of any member of our Group has been paid any sum of money during the Track Record Period (i) as an inducement to join or upon joining our Company or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. There has been no arrangement under which a Director has waived or agreed to waive any emolument during the Track Record Period.

Save as disclosed above, no other payments has been made or are payable by any member of our Group to any of our Directors during the Track Record Period.

**(d) *Directors' competing interests***

None of our Directors are interested in any business apart from our Group's business which competes or is likely to compete, directly or indirectly, with the business of our Group.

**2. Substantial Shareholders**

So far as our Directors are aware, immediately following completion of the Capitalisation Issue and the Share Offer (without taking into account any Share which may be allotted and issued pursuant to the exercise of any option which may be granted under the Share Option Scheme), the following persons will have or be deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to our Company and to the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or will be directly or indirectly, interested in 10% or more of the number of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group, and are therefore regarded as substantial Shareholders under the GEM Listing Rules:

*Long position*

Name of Shareholder	Nature of interest	Number of Shares held/ interested	Approximate percentage of Shareholding
Mr. Sou	Beneficial interest and interest of spouse	262,500,000 ( <i>Note 1</i> )	43.75%
Ms. Chu	Beneficial interest and interest of spouse	262,500,000 ( <i>Note 2</i> )	43.75%
Mr. Fok	Beneficial interest	75,000,000	12.50%
Ms. Yang Mei Lan	Interest of spouse	75,000,000 ( <i>Note 3</i> )	12.50%
Integrated Asset Management	Beneficial interest	37,500,000	6.25%
Mr. Yam Tak Cheung	Interest in a controlled corporation	37,500,000 ( <i>Note 4</i> )	6.25%
Rosy Dragon Global	Beneficial interest	56,250,000	9.375%
Mr. Sze Chun Lee	Interest in a controlled corporation	56,250,000 ( <i>Note 5</i> )	9.375%

*Notes:*

- (1) Out of the 262,500,000 Shares, 228,125,000 Shares are registered in the name of Mr. Sou and the remaining 34,375,000 Shares are registered in the name of Ms. Chu. As Ms. Chu is the spouse of Mr. Sou, Mr. Sou is deemed to be interested in all the Shares which Ms. Chu is regarded to be interested in under the SFO.
- (2) Out of the 262,500,000 Shares, 34,375,000 Shares are registered in the name of Ms. Chu and the remaining 228,125,000 Shares are registered in the name of Mr. Sou. As Mr. Sou is the spouse of Ms. Chu, Ms. Chu is deemed to be interested in all the Shares which Mr. Sou is regarded to be interested in under the SFO.
- (3) The 75,000,000 Shares are registered in the name of Mr. Fok. As Ms. Yang Mei Lan is the spouse of Mr. Fok, Ms. Yang Mei Lan is deemed to be interested in all the Shares which Mr. Fok is regarded to be interested in under the SFO.
- (4) The 37,500,000 Shares are registered in the name of Integrated Asset Management, the entire issued share capital of which is legally and beneficially owned by Mr. Yam Tak Cheung. Under the SFO, Mr. Yam Tak Cheung is deemed to be interested in all the Shares held by Integrated Asset Management.
- (5) The 56,250,000 Shares are registered in the name of Rosy Dragon Global, the entire issued share capital of which is legally and beneficially owned by Mr. Sze Chun Lee. Under the SFO, Mr. Sze Chun Lee is deemed to be interested in all the Shares held by Rosy Dragon Global.

**3. Agency fees or commissions received**

Information on the agency fees or commissions payable to the Underwriters is set out in the section headed “Underwriting” in this prospectus.

Save as disclosed in this prospectus, no commissions, discounts, brokerages or other special terms were granted within the two years preceding the date of this prospectus in connection with the issue or sale of any capital of any member of our Group.

**4. Related party transactions**

Details of our related party transactions are set out under Note 32 to the Accountants’ Report of our Company set out in Appendix I to this prospectus.

**5. Disclaimers**

Save as disclosed herein, as at the Latest Practicable Date:

- (a) taking no account of any Share which may be allotted and issued upon the exercise of any option which may be granted under the Share Option Scheme, our Directors are not aware of any person who, immediately following completion of the Capitalisation Issue and the Share Offer, will have an interest or short position in the Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO (including interests and/or short positions which they are deemed to have under such provisions of the SFO) or who will, either directly or indirectly, be expected to be interested in 10% or more of the number of any class of share capital carrying rights to vote in all circumstances at the general meetings of our Company or any other members of our Group;
- (b) none of our Directors and chief executives of our Company has for the purposes of Divisions 7 and 8 of Part XV of the SFO or the GEM Listing Rules, nor is any of them taken to or deemed to have under Divisions 7 and 8 of Part XV of the SFO, an interest or short position in the Shares, underlying Shares and debentures of our Company or any associated corporations (within the meaning of the SFO) or any interests which will have to be entered in the register to be kept by our Company pursuant to section 352 of the SFO or which will be required to be notified to our Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules once the Shares are listed on GEM;
- (c) none of our Directors or experts named in the paragraph headed “Statutory and General Information — E. Other information — 9. Consents of experts” in this appendix has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the issue of this prospectus, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

- (d) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;
- (e) none of our Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));
- (f) none of the experts referred to under the paragraph headed “Statutory and General Information — E. Other information — 9. Consents of experts” in this appendix has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group; and
- (g) so far as is known to our Directors, none of our Directors, their respective close associates (as defined under the GEM Listing Rules) or our Shareholders who are interested in more than 5% of the issued share capital of our Company had any interests in the five largest customers or the five largest suppliers of our Group.

#### D. SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme conditionally approved by our Shareholders on 21 June 2019.

For the purpose of this section, unless the context otherwise requires:

“Board”	means our board of Directors from time to time or a duly authorised committee thereof;
“Eligible Person”	means any full-time or part-time employee of our Company or any member of our Group, including any executive director, non-executive director and independent non-executive director, advisor and consultant of our Group;
“Further Grant”	has the meaning ascribed to it in sub-paragraph (d) below;
“Offer Date”	means the date on which an Option is offered to an Eligible Person;
“Option”	means an option to subscribe for Shares granted pursuant to the Share Option Scheme;



“Option Period”	means in respect of any particular Option, the period to be determined and notified by our Board to each Participant;
“Other Schemes”	means any other share option schemes adopted by our Group from time to time pursuant to which options to subscribe for Shares may be granted;
“Participant”	means any Eligible Person who accepts or is deemed to have accepted the offer of any Option in accordance with the terms of the Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Participant;
“Scheme Mandate Limit”	has the meaning scribed to it in sub-paragraph (f) below;
“Shareholders”	means shareholders of our Company from time to time;
“Subsidiary”	means a company which is for the time being and from time to time a subsidiary (within the meaning of section 15 of the Companies Ordinance) of our Company, whether incorporated in Hong Kong or elsewhere; and
“Trading Day”	means a day on which trading of Shares take place on the Stock Exchange.

**(a) Purpose of the Share Option Scheme**

The Share Option Scheme enables our Company to grant Options to the Eligible Persons as incentives or rewards for their contributions to our Group.

**(b) Who may join**

Our Board may, at its absolute discretion, invite any Eligible Persons to take up Options at a price calculated in accordance with sub-paragraph (e) below. Upon acceptance of the Option, the Eligible Person shall pay HK\$1.00 to our Company by way of consideration for the grant. The Option will be offered for acceptance for a period of 28 days from the date on which the Option is granted.

**(c) Grant of Option**

Our Company may not grant any Option after inside information has come to our knowledge until we have announced the information in accordance with the requirements of the GEM Listing Rules. In particular, our Company may not grant any option during the period commencing one month immediately before the earlier of:

- (a) the date of our Board meeting (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for the approval of our Company's results for any year, half-year or quarterly or any other interim period (whether or not required under the GEM Listing Rules), and
- (b) the deadline for our Company to publish an announcement of its results for any year, half-year or quarterly under the GEM Listing Rules, or any interim period (whether or not required under the GEM Listing Rules),

and ending on the date of the results announcement, no Option may be granted. The period during which no Option may be granted will cover any period of delay in the publication of results announcement. Our Directors may not grant any Option to an Eligible Person who is our Director during the periods or times in which directors of the listed issuer are prohibited from dealing in shares pursuant to the GEM Listing Rules or any corresponding code or securities dealing restrictions adopted by our Company.

**(d) Maximum number of options to any one individual**

The total number of Shares issued and to be issued upon exercise of the Options granted to a Participant under the Share Option Scheme and Other Schemes (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the Shares in issue from time to time. Where any further grant of Options to such Participant (the "**Further Grant**") would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted under the Share Option Scheme and Other Schemes to such Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of the Further Grant representing in aggregate over 1% of the Shares in issue from time to time, the Further Grant must be separately approved by the Shareholders in general meeting with such Participant and his close associates (as defined in the GEM Listing Rules) (or his associates (as defined in the GEM Listing Rules) if the Participant is a connected person) abstaining from voting.

In relation to the Further Grant, our Company must send a circular to the Shareholders and the circular must disclose the identity of the relevant Participant, the number and the terms of the Options to be granted (and Options previously granted to such Participant under the Share Option Scheme and Other Schemes) and the information required under the GEM Listing Rules. The number and terms (including the exercise price) of Options to be granted to such Participant must be fixed before Shareholders' approval and the date of meeting of our Board for proposing the Further Grant should be taken as the Offer Date for the purpose of calculating the exercise price.

**(e) Price of Shares**

The exercise price for the Shares subject to Options will be a price determined by our Board and notified to each Participant and must be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a Trading Day; and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Trading Days immediately preceding the date of grant of the Options.

**(f) Maximum number of Shares**

- (i) The total number of Shares which may be issued upon the exercise of all Options to be granted under the Share Option Scheme and Other Schemes must not, in aggregate, exceed 10% of the Shares in issue as at the Listing Date (the "**Scheme Mandate Limit**"). Options lapsed in accordance with the terms of the Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit. On the basis of 600,000,000 Shares in issue on the Listing Date, the Scheme Mandate Limit will be equivalent to 60,000,000 Shares, representing 10% of the Shares in issue as at the Listing Date.
- (ii) Subject to the approval of Shareholders in general meeting, our Company may "refresh" the Scheme Mandate Limit to the extent that the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and Other Schemes under the Scheme Mandate Limit as "refreshed" must not exceed 10% of the Shares in issue as at the date of such Shareholders' approval. Options previously granted under the Share Option Scheme and Other Schemes (including those outstanding, cancelled, exercised or lapsed in accordance with the terms thereof or exercised options) will not be counted for the purpose of calculating the Scheme Mandate Limit as "refreshed". In relation to the Shareholders' approval referred to in this paragraph (ii), our Company shall send a circular to the Shareholders containing the information required by the GEM Listing Rules.

- (iii) Subject to the approval of Shareholders in general meeting, our Company may also grant Options beyond the Scheme Mandate Limit provided that Options in excess of the Scheme Mandate Limit are granted only to the Eligible Persons specifically identified by our Company before such Shareholders' approval is sought. In relation to the Shareholders' approval referred to in this sub-paragraph (iii), our Company must send a circular to its Shareholders containing a generic description of the specified Eligible Persons, the number and terms of the Options to be granted, the purpose of granting Options to the specified Eligible Persons with an explanation as to how the terms of the Options serve such purpose and such other information required by the GEM Listing Rules.
- (iv) Notwithstanding the foregoing, our Company may not grant any Options if the 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 Other Schemes exceeds 30% of the Shares in issue from time to time.

**(g) Time of exercise of Option and performance target**

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by our Board to each Participant provided that the period within which the Option must be exercised shall not be more than ten years from the date of the grant of Option. The exercise of an Option may be subject to the achievement of performance target and/or any other conditions to be notified by our Board to each Participant, which our Board may in its absolute discretion determine.

**(h) Rights are personal to grantee**

An Option shall be personal to the Participant and shall not be assignable or transferable and no Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest whether legal or beneficial in favour of any third party over or in relation to any Option. Any breach of the foregoing by the Participant shall entitle our Company to cancel any Option or any part thereof granted to such Participant (to the extent not already exercised) without incurring any liability on our Company.

**(i) Rights on death, retirement and cessation of employment**

If a Participant dies before exercising the Options in full, his or her personal representative(s) may exercise the Options in full (to the extent that it has become exercisable on the date of death and not already exercised) within a period of 12 months from the date of death, failing which such Options will lapse.

In the event that a Participant retires in accordance with his or her contract of employment or upon expiration of his or her contract of employment or terms of directorship before exercising his or her Options in full, such Options will lapse on the date he or she retires or the date of expiration of his or her contract of employment or term of directorship.

**(j) Changes in capital structure**

In the event of any alteration in the capital structure of our Company while an Option remains exercisable, and such event arises from capitalisation of profits or reserves, rights issue, consolidation, reclassification, subdivision or reduction of the share capital of our Company, such corresponding alterations (if any) shall be made in the number of Shares subject to the Options so far as unexercised, and/or the exercise price, and/or the method of the Options, and/or the maximum number of Shares subject to the Share Option Scheme.

Any adjustments required under this paragraph must give a Participant the same proportion of the equity capital as that to which that Participant was previously entitled and shall be made on the basis that the aggregate exercise price payable by a Participant on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, unless with the prior approval of the Shareholders in general meeting, no such adjustments may be made to the advantage of the Participant. For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation issue, the independent financial adviser of our Company or the auditors of our Company must confirm to our Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the GEM Listing Rules and the supplementary guidance set out in the letter issued by the Stock Exchange dated 5 September 2005 and any further guidance/interpretation of the GEM Listing Rules issued by the Stock Exchange from time to time.

**(k) Rights on take-over**

If a general offer has been made to all the Shareholders (other than the offeror and/or any persons acting in concert with the offeror), to acquire all or part of the issued Shares, and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, the Participant shall be entitled to exercise his or her outstanding Option in full or any part thereof within 14 days after the date on which such offer becomes or is declared unconditional. For the purposes of this sub-paragraph, “acting in concert” shall have the meaning ascribed to it under the Takeovers Code in Hong Kong as amended from time to time.

**(l) Rights on a compromise or arrangement**

If an application is made to the court (otherwise than where our Company is being voluntarily wound up) in connection with a proposed compromise or arrangement between our Company and our creditors (or any class of them) or between our Company and our Shareholders (or any class of them), a Participant may by notice in writing to our Company, within a period of 21 days after the date of such application, exercise his or her outstanding Option in full extent or any part thereof specified in such note. Upon the compromise or arrangement becoming effective, all Options shall lapse except insofar as exercised. Notice of the application referred to herein and the effect thereof shall be given by our Company to all Participants as soon as practicable.

**(m) Rights on winding-up**

In the event of a notice being given by our Company to our Shareholders to convene a general meeting for the purpose of approving a resolution to voluntarily wind up our Company when our Company is solvent, our Company shall on the day of such notice to each Shareholder or as soon as practicable, give notice thereof to all Participants. Thereupon each Participant shall be entitled to exercise all or any of his or her outstanding Options at any time no later than two business days prior to the proposed general meeting of our Company by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant Shares to the Participant credited as fully paid.

**(n) Lapse of Option**

An Option shall lapse forthwith and not exercisable (to the extent not already exercised) on the earliest of:

- (i) the date of expiry of the Option as may be determined by the Board;
- (ii) subject to paragraphs (f) and (p), the expiry of the Option Period;
- (iii) the first anniversary of the death of the Participant;

- (iv) in the event that the Participant was an employee or director of any member of our Group on the date of grant of Option to him or her, the date on which such member of our Group terminates the Participant's employment or removes the Participant from his or her office on the ground that the Participant has been guilty of misconduct, has committed an act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty. A resolution of our Board or the board of directors of the relevant member of our Group to the effect that such employment or office has or has not been terminated or removed on one or more grounds specified in this sub-paragraph shall be conclusive;
- (v) in the event that the Participant was an employee or director of any member of our Group on the date of grant of Option to him or her, the date of the Participant ceasing to be an employee or director of such member of our Group by reason of:
  - (1) his or her retirement on or after attaining normal retirement age or, with the express consent of the Board in writing for the purpose of this sub-paragraph, at a younger age;
  - (2) ill health or disability recognised as such expressly by our Board in writing for the purpose of this sub-paragraph;
  - (3) the company by which he or she is employed and/or of which he or she is a director (if not our Company) ceasing to be a subsidiary of our Company;
  - (4) expiry of his or her employment contract or vacation of his or her office with such member of our Group and such contract or office is not immediately extended or renewed; or
  - (5) at the discretion of our Board, any reason other than death or the reasons described in sub-paragraph (iv) or (v) (1) to (4);
- (vi) the expiry of any period referred to in paragraphs (k) and (l) above, provided that in the case of paragraph (k), all Options granted shall lapse upon the proposed compromise or arrangement becoming effective; and
- (vii) the date the Participant commits any breach of the provisions of paragraph (h).



**(o) Ranking of Shares**

Shares allotted and issued upon the exercise of an Option will be subject to our Company's Articles as amended from time to time and will rank *pari passu* in all respects with the fully paid or credited as fully paid Shares in issue on the date of such allotment or issue and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date, of allotment and issue 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 date of allotment or issue.

**(p) Cancellation of Options granted**

Any cancellation of Options granted in accordance with the Share Option Scheme but not exercised must be approved by the grantee concerned in writing. In the event that our Board elects to cancel any Options and issue new ones to the same grantee, the issue of such new Options may only be made with available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit.

**(q) Period of Share Option Scheme**

The Share Option Scheme will be valid and effective for a period of ten years commencing on the Listing Date, after which period no further Options may be granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects and Options granted during the life of the Share Option Scheme may continue to be exercisable in accordance with their terms of issue.

**(r) Alteration to and termination of Share Option Scheme**

The Share Option Scheme may be altered in any respect by resolution of our Board except that, (i) any alteration to the advantage of the Participants or the Eligible Persons (as the case may be) relating to matters contained in Chapter 23 of the GEM Listing Rules; (ii) any alteration to the terms and conditions of the Share Option Scheme which is of material nature or any change to the terms of Options granted, except where the alterations take effect automatically under the existing terms of the Share Option Scheme; and (iii) any change to the authority of the directors or scheme administrators in relation to any alteration to the terms of the Share Option Scheme, must first be approved by the Shareholders in general meeting (with the Eligible Persons, the Participants and their associates abstaining from voting) provided that the amended terms of the Share Option Scheme or Options granted must still comply with the requirements of Chapter 23 of the GEM Listing Rules.

Any alterations to the terms and conditions of Share Option Scheme, which are of a material nature shall first approved by the Stock Exchange, except where such alterations take effect automatically under the existing terms of the Share Option Scheme.

Our Company may, by ordinary resolution in general meeting, at any time terminate the operation of the Share Option Scheme before the end of its life and in such event no further Options will be offered but the provisions of the Share Option Scheme shall remain in all other respects in full force and effect in respect of Options granted prior thereto but not yet exercised at the time of termination, which shall continue to be exercisable in accordance with their terms of grant. Details of the Options granted, including Options exercised or outstanding, under the Share Option Scheme, and (if applicable) Options that become void or non-exercisable as a result of termination must be disclosed in the circular to the Shareholders seeking approval for the new scheme to be established after such termination.

**(s) Granting of Options to a Director, chief executive or substantial Shareholder of our Company or any of their associates**

Where Options are proposed to be granted to a Director, chief executive or substantial Shareholder of our Company or any of their respective associates, the proposed grant must be approved by all independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).

If a grant of Options to a substantial Shareholder or an independent non-executive Director, or any of their respective associates will result in the total number of the Shares issued and to be issued upon exercise of the Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person under the Share Option Scheme or Other Schemes in any 12-month period up to and including the date of the grant: (i) representing in aggregate 0.1% (or such other percentage as may from time to time specified by the Stock Exchange) of the Shares in issue from time to time; and (ii) having an aggregate value, based on the closing price of the Shares at the date of the grant, in excess of HK\$5 million, then the proposed grant of Options must be approved by the Shareholders. Our Company must send a circular to the Shareholders which must contain the information required under the GEM Listing Rules. The grantee, his associates and all core connected persons (as defined in the GEM Listing Rules) of our Company must abstain from voting in favour at such general meeting.

In addition, Shareholders' approval as described above will also be required for any change in terms of the Options granted to an Eligible Person who is a substantial Shareholder, an independent non-executive Director or any of their respective associates.

The circular must contain the following:

- (i) details of the number and terms (including the exercise price) of the Options to be granted to each Eligible Person, which must be fixed before the relevant Shareholders' meeting, and the date of Board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the exercise price;

- (ii) a recommendation from our independent non-executive Directors (excluding any independent non-executive Director who is a proposed grantee of the Options in question) to independent Shareholders, as to voting;
- (iii) the information required under Rules 23.02(2)(c) and (d) and the disclaimer required under Rule 23.02(4) of the GEM Listing Rules; and
- (iv) all other information as required by the GEM Listing Rules (including Rule 2.28 of the GEM Listing Rules).

For the avoidance of doubt, the requirements for the granting of Options to a Director or chief executive (as defined in the GEM Listing Rules) set out in this paragraph (r) do not apply where the Eligible Person is only a proposed Director or proposed chief executive.

**(t) Conditions of Share Option Scheme**

The Share Option Scheme is conditional on (i) the passing of a resolution to adopt the Share Option Scheme by our Shareholders in general meeting; and (ii) the Stock Exchange granting approval for the listing of and permission to deal in the Shares which may be issued pursuant to the exercise of Options.

Application has been made to the Stock Exchange for the listing of and permission to deal in the Shares which fall to be issued pursuant to the exercise of Options granted under the Share Option Scheme.

**(u) Administration of the Share Option Scheme**

The Share Option Scheme will be administered by our Board whose decision (save as otherwise provided therein) shall be final and binding on all parties.

**(v) Present status of the Share Option Scheme**

As at the Latest Practicable Date, no Options have been granted or agreed to be granted under the Share Option Scheme.

**(w) Disclosure in annual, half-year and quarterly reports**

Our Company will disclose all information in relation to the Share Option Scheme in its annual, half-year and quarterly reports in accordance with the GEM Listing Rules.

**E. OTHER INFORMATION****1. Tax and other indemnities**

Each of our Controlling Shareholders (collectively, the “**Indemnifiers**”) has entered into the Deed of Indemnity with and in favour of our Company (for itself and as trustee for each of our present subsidiaries) (being one of the material contracts referred to in subparagraph (i) of the paragraph headed “Statutory and General Information — B. Further information about the business of our Group — 1. Summary of material contracts” in this appendix) to provide indemnities on a joint and several basis in respect of, among other matters:

- (a) any claim and the amount of any and all taxation falling on any member of our Group resulting from or by reference to any income, profits or gains granted, earned, accrued or received or made (or deemed to be so granted, earned, accrued, received or made) on or before the date on which the Share Offer becomes unconditional (the “**Effective Date**”) or any event, act or omission occurring or deemed to occur on or before such date, whether alone or in conjunction with any other event, act, omission or circumstance whenever occurring and whether or not such taxation is chargeable against or attributable to any other person, firm or company; and
- (b) all costs (including all legal costs), expenses, interests, penalties, fines, charges or other liabilities which any member of our Group may properly incur in connection with:
  - (i) the investigation, assessment, or the contesting of any claim under paragraph (a) above;
  - (ii) the settlement of any claim under paragraph (a) above;
  - (iii) any legal proceeding in which any member of our Group claims under or in respect of the Deed of Indemnity and in which judgment is given for any member of our Group; or
  - (iv) the enforcement of any such settlement or judgment.

The Indemnifiers have also, under the Deed of Indemnity, agreed and undertaken to each of the members of our Group and at all times keep the same indemnified on demand from and against any losses, damages, claims or penalties that our Group may suffer or incur, as a result of our Group’s outstanding litigation and non-compliance matters, as more particularly set out in the paragraph headed “Business — Legal proceedings and compliance” in this prospectus, which subsist prior to the Effective Date.

The Indemnifiers will, however, not be liable under the Deed of Indemnity for taxation or legal proceeding, among others:

- (a) to the extent that provision has been made for such taxation in the combined or consolidated audited accounts of our Group (as the case may be) or the audited accounts of any member of our Group for any period up to 31 December 2018 (the “**Accounts**”);
- (b) to the extent that such taxation or liability falling on any of the members of our Group in respect of any accounting period commencing on or after the Effective Date and ending on the Listing Date, unless such taxation or liability would not have arisen but for some act or omission of, or transaction entered into by any member of our Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) with the prior written consent or agreement of the Indemnifiers, other than carried out or effected in the ordinary course of business or carried out, made or entered into pursuant to a legally binding commitment created on or before the Listing Date; or
- (c) to the extent that any provision or reserve made for taxation in the Accounts which is established to be an over-provision or an excessive reserve provided that the amount of any such provision or reserve applied pursuant to the Deed of Indemnity to reduce the Indemnifiers’ liability in respect of taxation shall not be available in respect of any such liability arising thereafter; or
- (d) to the extent that such taxation liability or claim arises or is incurred as a result of the imposition of taxation as a consequence of any retrospective change in the laws, rules or regulations or the interpretation or practice thereof by the Inland Revenue Department in Hong Kong or any other relevant authority coming into force after the Listing Date or to the extent that such taxation claim arises or is increased by an increase in rates of taxation after the Listing Date with retrospective effect.

Pursuant to The Revenue (Abolition of Estate Duty) Ordinance 2005 which came into effect on 11 February 2006 in Hong Kong, estate duty ceased to be chargeable in Hong Kong in respect of the estates of persons dying on or after that date. No Hong Kong estate duty is payable and no estate duty clearance papers are needed for an application for a grant of representation in respect of holders of Shares whose death occur on or after 11 February 2006.

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of its subsidiaries in the Cayman Islands or BVI, being jurisdictions in which one or more of the companies comprising our Group were incorporated. There are currently no taxes in the form of estate duties under the Cayman Islands law, and no estate tax is currently payable by persons who are not resident in BVI with respect of any shares, debt obligations or other securities of a BVI company.

## **2. Registers of members and taxation concerning the Shareholders**

The principal register of members of our Company in the Cayman Islands will be maintained by Conyers Trust Company (Cayman) Limited and a branch register of members of our Company in Hong Kong will be maintained by Tricor Investor Services Limited. Save where our Directors otherwise agree, all transfers and others documents of title to Shares must be lodged for registration with, and registered by, our Company's branch share registrar in Hong Kong and may not be lodged in the Cayman Islands. All necessary arrangements have been made to enable the Shares to be admitted into CCASS.

## **3. Litigation**

Save as disclosed in the paragraph headed "Business — Legal proceedings and compliance" in this prospectus, as at the Latest Practicable Date, neither our Company nor any of our subsidiaries was engaged in any litigation, or claims or arbitration of material importance and no litigation or claims of material importance is known to our Directors to be pending or threatened against our Company or any of our subsidiaries.

## **4. Preliminary expenses**

The preliminary expenses of our Company are estimated to be approximately HK\$43,000 and were paid by our Company.

## **5. Sponsor**

The Sole Sponsor has made an application for and on behalf of our Company to the Stock Exchange for the listing of, and permission to deal in, all the Shares in issue and to be issued as mentioned in this prospectus, including the Offer Shares and any Shares which may fall to be allotted and issued pursuant to the Capitalisation Issue and pursuant to exercise of any option which may be granted under the Share Option Scheme.

Our Company agreed to pay the Sole Sponsor a fee of HK\$2.7 million as the sponsor to our Company for the Share Offer. Such sponsor's fee relates solely to services provided by the Sole Sponsor in the capacity of a sponsor, and not other services which it may provide, such as, but without limitation, book building, pricing and underwriting.

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 6A.07 of the GEM Listing Rules.

**6. Compliance adviser**

In accordance with the requirements of the GEM Listing Rules, our Company has appointed Grand Moore Capital as its compliance adviser to provide advisory services to our Company to ensure compliance with the GEM Listing Rules for a period commencing on the Listing Date and ending on the date on which our Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the first full year commencing after the Listing Date or until the agreement is terminated, whichever is earlier.

**7. Promoter**

Our Company has no promoter for the purpose of the GEM Listing Rules.

**8. Qualifications of experts**

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

<b>Name</b>	<b>Qualifications</b>
Grand Moore Capital Limited	A licensed corporation under the SFO and permitted to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) of the regulated activity
HLM CPA Limited	Certified public accountants
MdME Lawyers	Legal advisers to our Company as to the laws of Macau
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Industry consultant
Conyers Dill & Pearman	Cayman Islands attorneys-at-law
Mr. Poon, Billy C.K.	Barrister-at-law in Hong Kong
Mr. Chan Chung	Barrister-at-law in Hong Kong



**9. Consents of experts**

Each of the experts named in the paragraph headed “Statutory and General Information — E. Other information — 8. Qualifications of experts” in this appendix has given and has not withdrawn its respective written consent to the issue of this prospectus with the inclusion of its reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

**10. Binding effect**

This prospectus 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.

**11. No material adverse change**

Save for the recent development as disclosed in the section headed “Summary” in this prospectus and the professional fees of approximately HK\$27.5 million estimated to be incurred in connection with the Listing, of which approximately HK\$5.4 million will be recorded in our combined statements of profit or loss and other comprehensive income for the year ending 31 December 2019, our Directors confirmed that there has been no material adverse change in the operation, financial or trading position or prospects of our Group since the end of the Track Record Period and up to the date of this prospectus.

**12. Miscellaneous**

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
  - (i) no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or a consideration other than cash;
  - (ii) no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
  - (iii) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of its subsidiaries; and
  - (iv) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any Shares in our Company or any of our subsidiaries.
- (b) No founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries have been issued or agreed to be issued;

- (c) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus;
- (d) none of the persons named in the paragraph headed “Statutory and General Information — E. Other information — 9. Consents of experts” in this appendix is interested beneficially or non-beneficially in any shares of any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any securities in any member of our Group;
- (e) no member of our Group is presently listed on any stock exchange or traded on any trading system;
- (f) our Group has no outstanding convertible debt security or debenture;
- (g) our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since 31 December 2018 (being the date to which the latest audited combined financial statements of our Group were made up and up to the Latest Practicable Date);
- (h) our Directors have been advised that, under the laws of Cayman Islands, the use of a Chinese name in conjunction with the English name does not contravene the laws of Cayman Islands; and
- (i) there is no arrangement under which future dividends are waived or agreed to be waived.

### **13. Bilingual prospectus**

Pursuant to the exemption provided by section 4 of the Companies (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 prospectus are being published separately. In case of any discrepancies between the English language version and Chinese language version, the English language version shall prevail.