

## APPENDIX IV

## STATUTORY AND GENERAL INFORMATION

### A. FURTHER INFORMATION ABOUT OUR COMPANY

#### 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 17 September 2014. Our Company has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on [●] and our principal place of business in Hong Kong is at 23/F, China United Plaza, 1008 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong. Loong & Yeung of Suites 2001-2006, 20th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong [has] been appointed as the authorised representative of our Company for the acceptance of service of process and notices in Hong Kong.

As our Company is incorporated in the Cayman Islands, our Company is subject to the relevant laws of the Cayman Islands and the constitution which comprises the Memorandum and the Articles. A summary of the relevant aspects of the Cayman Islands company law and certain provisions of the Articles is set out in Appendix III to this [REDACTED].

#### Changes in share capital of our Company

- (a) As at the date of incorporation of our Company, the authorised share capital was HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each. One Share was allotted and issued nil paid to the subscriber on 17 September 2014, which was subsequently transferred to Profound on the same date.
- (b) On [●], our sole Shareholder resolved to increase the authorised share capital of our Company from HK\$380,000 to HK\$20,000,000 by the creation of 1,962,000,000 additional Shares, each ranking pari passu with our Shares then in issue in all respects.
- (c) Pursuant to the Reorganisation and as consideration for the acquisition by our Company of the entire issued share capital of ABO from Mr. Liu Su Ke, Mr. Lai Kwan Hin, Mr. Kan Yiu Kwok, Mr. Kan Yiu Keung, Mr. Kan Man Hoo, Mr. Yau Shik Fan Eddy, Mr. Liu Winson Wing Sun and Mr. Chan Lo Kin, on [●], (i) the one nil-paid Share then held by Profound was credited as fully paid at par; and (ii) [REDACTED] Shares, all credited as fully paid at par, were allotted and issued to Profound.
- (d) Immediately following completion of the [REDACTED], and taking no account of any Share which may be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, [REDACTED] Shares will be issued fully paid or credited as fully paid, and [REDACTED] Shares will remain unissued.
- (e) Other than pursuant to the general mandate to issue Shares referred to in the paragraph headed “Written resolutions of our sole Shareholder passed on [●]” in this appendix and pursuant to the Share Option Scheme, our

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Company does not have any present intention to issue any of the authorised but unissued share capital of our Company and, without prior approval of our Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

- (f) Save as disclosed in the section headed “Share Capital” in this [REDACTED] and in this paragraph headed “Changes in share capital of our Company”, there has been no alteration in our Company’s share capital since its incorporation.

### 2. Written resolutions of our Shareholders passed on [●]

By written resolutions of our sole Shareholder passed on [●]:

- (a) our Company approved and adopted the Memorandum and the Articles;
- (b) the authorised share capital of our Company was increased from HK\$380,000 to HK\$20,000,000 by the creation of an additional of 1,962,000,000 Shares of HK\$0.01 each, each ranking pari passu with our Shares then in issue in all respects;
- (c) conditional on the Listing Committee granting the listing of, and permission to deal in, our Shares in issue and Shares to be issued as mentioned in this [REDACTED], including any options which may be granted under the Share Option Scheme, and on the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise, in each case on or before the date falling 30 days after the date of this [REDACTED]:
  - (i) the [REDACTED] was approved and our Directors were authorised to allot and issue the [REDACTED] pursuant to the [REDACTED] to rank pari passu with the then existing Shares in all respects; and
  - (ii) the rules of the Share Option Scheme, the principal terms of which are set out in the paragraph headed “Share Option Scheme” of this appendix, were approved and adopted and our Directors were authorised, at their absolute discretion, to grant options to subscribe for Shares thereunder and to allot, issue and deal with our Shares pursuant to the exercise of subscription rights attaching to any options granted under the Share Option Scheme and to take all such actions as they consider necessary or desirable to implement the Share Option Scheme;
- (c) a general unconditional mandate was given to our Directors to allot, issue and deal with, otherwise than by way of rights or an issue of Shares pursuant to the exercise of any options which may be granted under the Share Option Scheme or any other share option scheme of our Company or any Share allotted in lieu of the whole or part of a dividend on our Shares in

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accordance with the Memorandum and the Articles or pursuant to a specific authority granted by our Shareholders in general meetings or pursuant to the [REDACTED], Shares or securities convertible into Shares or options, warrants or similar rights to subscribe for Shares or securities convertible into Shares or options, warrants or similar rights to subscribe for Shares or such convertible securities, and to make or grant offers, agreements or options which might require the exercise of such power, with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the [REDACTED] but excluding any Shares which may fall to be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, and such mandate to remain in effect until the earliest of:

- (i) the conclusion of the next annual general meeting of our Company; or
  - (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Memorandum and the Articles or the Companies Law or any other applicable laws of the Cayman Islands to be held; or
  - (iii) the time when such mandate is revoked or varied by an ordinary resolution of our Shareholders in general meeting;
- (d) a general unconditional mandate was given to our Directors authorising them 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 aggregate of the nominal value of the share capital of our Company in issue immediately following completion of the [REDACTED] but excluding any Share which may fall to be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, and such mandate to remain in effect until the earliest of:
- (i) the conclusion of the next annual general meeting of our Company; or
  - (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Memorandum and the Articles or the Companies Law or any other applicable laws of the Cayman Islands to be held; or
  - (iii) the time when such mandate is revoked or varied by an ordinary resolution of our Shareholders in general meeting; and
- (e) the general unconditional mandate mentioned in sub-paragraph (c) above was extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted or agreed to be allotted by our

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Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in sub-paragraph (d) above, provided that such extended amount shall not exceed 10% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the [REDACTED] but excluding any Shares which may fall to be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme.

### 3. Corporate reorganisation

The companies comprising our Group underwent the Reorganisation to rationalise our Group’s structure in preparation for the Listing of our Shares on the Stock Exchange, pursuant to which our Company became the holding company of our Group. The Reorganisation included the following major steps:

- (a) On 17 September 2014, our Company was incorporated in the Cayman Islands with an authorised share capital of HK\$380,000 divided into 38,000,000 ordinary shares with a par value of HK\$0.01 per share. One nil-paid Share was allotted and issued to the subscriber to the memorandum and articles of association of our Company, which was later transferred to Profound on the same date.
- (b) On 8 October 2014, ABO acquired (i) the beneficial interest in 36,116, 13,012, 9,998, 9,998, 5,754, 5,198, 5,000 and 4,518 ordinary shares of Sing Fat Construction from Mr. Liu Su Ke, Mr. Lai Kwan Hin, Mr. Kan Yiu Kwok, Mr. Kan Yiu Keung, Mr. Kan Man Hoo, Mr. Yau Shik Fan, Eddy, Mr. Liu Winson Wing Sun and Mr. Chan Lo Kin, respectively, and in consideration, ABO issued and allotted 18,058, 6,506, 4,999, 4,999, 2,877, 2,599, 2,500 and 2,259 shares in ABO, all credited as fully paid, to Mr. Liu Su Ke, Mr. Lai Kwan Hin, Mr. Kan Yiu Kwok, Mr. Kan Yiu Keung, Mr. Kan Man Hoo, Mr. Yau Shik Fan, Eddy, Mr. Liu Winson Wing Sun and Mr. Chan Lo Kin, respectively; and (ii) 2, 2 and 2 ordinary shares of Sing Fat Construction from Mr. Chan Lo Kin, Mr. Kan Yiu Kwok and Mr. Kan Yiu Keung, respectively, and in consideration, ABO issued and allotted 2, 2 and 2 shares in ABO, all credited as fully paid, to Mr. Chan Lo Kin, Mr. Kan Yiu Kwok and Mr. Kan Yiu Keung, respectively.
- (c) Pursuant to a sale and purchase agreement dated [●] entered into among our Company, Profound, Mr. Liu Su Ke, Mr. Lai Kwan Hin, Mr. Kan Yiu Kwok, Mr. Kan Yiu Keung, Mr. Kan Man Hoo, Mr. Yau Shik Fan, Eddy, Mr. Liu Winson Wing Sun and Mr. Chan Lo Kin referred to in item (d) of the paragraph headed “Summary of material contracts” in this appendix, our Company acquired a total of 44,797 ordinary share of US\$1 each in the share capital of ABO from Mr. Liu Su Ke, Mr. Lai Kwan Hin, Mr. Kan Yiu Kwok, Mr. Kan Yiu Keung, Mr. Kan Man Hoo, Mr. Yau Shik Fan, Eddy, Mr. Liu Winson Wing Sun and Mr. Chan Lo Kin, representing the entire issued

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share capital of ABO and as consideration for the which, (i) the one nil-paid Share then held by Profound was credited as fully paid at par, and (ii) [REDACTED] Shares, all credited as fully paid at par, were allotted and issued to Profound.

Immediately after completion of the share transfer referred to in item ([c]) above, our Company then [became] the holding company of our Group.

### 4. Changes in share capital of subsidiaries

The subsidiaries of our Company are listed in the Accountant’s Report, the text of which is set out in Appendix I to this [REDACTED]. Save for the alterations described in paragraph headed “Corporate reorganisation” above, no changes in the share capital of the subsidiaries of our Company took place within the two years immediately preceding the date of this [REDACTED].

### 5. Repurchase of our Shares by our Company

This section includes information required by the Stock Exchange to be included in the [REDACTED] concerning the repurchase of our Shares by our Company.

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

The Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their shares on the Stock Exchange subject to certain restrictions.

##### (i) *Shareholders’ approval*

The Listing Rules provide that all proposed repurchases of shares (which must be fully paid 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, either by way of general mandate or by specific approval of a specific transaction.

*Note:* Pursuant to the written resolutions of our sole Shareholder passed on [●], a general unconditional mandate (the “Repurchase Mandate”) was given to our Directors authorising our Directors to exercise all powers of our Company to purchase on the Stock Exchange or 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 representing up to 10% of the aggregate of the nominal value of the share capital in issue immediately following completion of the [REDACTED] but excluding any Share which may fall to be allotted and issued pursuant to the exercise of options which may be granted under the Share Option Scheme, and the Repurchase Mandate shall remain in effect until the earliest of the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by the Memorandum and the Articles or the Companies Law or any other applicable laws of the Cayman Islands to be held, or the time when the Repurchase Mandate is revoked or varied by an ordinary resolution of our Shareholders in general meeting.

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### *(ii) Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles and the laws of the Cayman Islands. A listed company may not repurchase its own shares 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.

Any repurchases by our Company may be made out of profits or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorised by the Articles and subject to the Companies Law, out of capital and, in the case of any premium payable on the repurchase, out of profits of our Company or out of our Company’s share premium account before or at the time our Shares are repurchased or, if authorised by the Articles and subject to the Companies Law, out of capital.

### *(iii) Connected parties*

The Listing Rules prohibit our Company from knowingly repurchasing our Shares on the Stock Exchange from a “connected person”, which includes a director, chief executive or substantial shareholder of our Company or any of the subsidiaries or an associate of any of them and a connected person shall not knowingly sell Shares to our Company.

## **(b) Reasons for repurchases**

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

## **(c) Exercise of the Repurchase Mandate**

Exercise in full of the Repurchase Mandate, on the basis of [REDACTED] Shares in issue after completion of the [REDACTED], could accordingly result in up to [REDACTED] Shares being repurchased by our Company during the period in which the Repurchase Mandate remains in force.

## **(d) Funding of repurchase**

In repurchasing Shares, our Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the applicable laws of the Cayman Islands.

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Our Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or the gearing levels which in the opinion of our Directors are from time to time appropriate for our Company.

### (e) General

None of our Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention if the Repurchase Mandate is exercised to sell any Shares to our Company.

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 Listing Rules and the applicable laws of the Cayman Islands.

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of our Company increases, 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, depending on the level of increase of our Shareholders' interest, could obtain or consolidate control of our Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of any such increase. Save as disclosed above, our Directors are not aware of any consequence that would arise under the Takeovers Code as a result of a repurchase pursuant to the Repurchase Mandate.

Our 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 Listing Rules).

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

## B. FURTHER INFORMATION ABOUT THE BUSINESS

### 1. Summary of material contracts

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

- (a) a sale and purchase agreement dated 28 May 2014 entered into between Sing Fat Construction and Mega Billion, pursuant to which Sing Fat Construction agreed to sell, and Mega Billion agreed to purchase, the property known as Workshop 1, 2, 3, 5, 6 and 7 on 23/F, China United Plaza, 1008 Tai Nan West Street, Kowloon at a consideration of HK\$23,200,000;



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- (b) an assignment dated 30 June 2014 entered into between Sing Fat Construction and Mega Billion, pursuant to which Sing Fat Construction assigned to Mega Billion all its interest in the property known as Workshop 1, 2, 3, 5, 6 and 7 on 23/F, China United Plaza, 1008 Tai Nan West Street, Kowloon at a consideration of HK\$23,200,000;
- (c) a set-off deed dated 30 June 2014 entered into between Sing Fat Construction, General Top, Lai Kwan Hin, Liu Su Ke, Ho Fung Chun, Liu Winson Wing Sun, Yau Shik Fan, Eddy, Kan Man Hoo, Kan Yiu Kwok, Kan Yiu Keung, Chan Lo Kin and Hui Siu Ling, pursuant to which the parties agreed to set off the amount due from General Top to Sing Fat Construction in the amount of HK\$80,097,000 with dividend declared by Sing Fat Construction to Lai Kwan Hin, Liu Su Ke, Ho Fung Chun, Liu Winson Wing Sun, Yau Shik Fan, Eddy, Kan Man Hoo, Kan Yiu Kwok, Kan Yiu Keung, Chan Lo Kin and Hui Siu Ling at nil consideration;
- (d) a share sale and purchase agreement dated 8 October 2014 entered into between Liu Su Ke, Lai Kwan Hin, Kan Yiu Keung, Kan Man Hoo, Yau Shik Fan, Eddy, Liu Winson Wing Sun, Chan Lo Kin and ABO, pursuant to which ABO acquired (i) the beneficial interest in 36,116, 13,012, 9,998, 9,998, 5,754, 5,198, 5,000 and 4,518 ordinary shares of Sing Fat Construction from Liu Su Ke, Lai Kwan Hin, Kan Yiu Keung, Kan Man Hoo, Yau Shik Fan, Eddy, Liu Winson Wing Sun and Chan Lo Kin, respectively, and as consideration for which ABO issued and allotted 18,058, 6,506, 4,999, 4,999, 2,877, 2,599, 2,500 and 2,259 shares in ABO, all credited as fully paid, to Liu Su Ke, Lai Kwan Hin, Kan Yiu Keung, Kan Man Hoo, Yau Shik Fan, Eddy, Liu Winson Wing Sun and Chan Lo Kin, respectively; and (ii) 2, 2 and 2 ordinary Shares of Sing Fat Construction from Chan Lo Kin, Kan Yiu Kwok and Kan Yiu Keung, respectively, and in consideration, ABO issued and allotted 2, 2 and 2 shares in ABO, all credited as fully paid, to Chan Lo Kin, Kan Yiu Kwok and Kan Yiu Keung, respectively;
- (e) an instrument of transfer dated 8 October 2014 entered into between ABO and Chan Lo Kin for the transfer of 2 ordinary shares of Sing Fat Construction as referred to item (d) above;
- (f) bought and sold notes dated 8 October 2014 executed by ABO and Chan Lo Kin for the transfer of 2 ordinary shares of Sing Fat Construction as referred to item (d) above;
- (g) an instrument of transfer dated 8 October 2014 entered into between ABO and Kan Yiu Keung for the transfer of 2 ordinary shares of Sing Fat Construction as referred to item (d) above;
- (h) bought and sold notes dated 8 October 2014 executed by ABO and Kan Yiu Keung for the transfer of 2 ordinary shares of Sing Fat Construction as referred to item (d) above;



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- (i) an instrument of transfer dated 8 October 2014 entered into between ABO and Kan Yiu Kwok for the transfer of 2 ordinary shares of Sing Fat Construction as referred to item (d) above;
- (j) bought and sold notes dated 8 October 2014 executed by ABO and Kan Yiu Kwok for the transfer of 2 ordinary shares of Sing Fat Construction as referred to item (d) above;
- (k) bought and sold notes dated 8 October 2014 entered into between ABO and Liu Su Ke for the transfer of 36,116 ordinary shares of Sing Fat Construction as referred to in item (d) above;
- (l) bought and sold notes dated 8 October 2014 entered into between ABO and Lai Kwan Hin for the transfer of 13,012 ordinary shares of Sing Fat Construction as referred to in item (d) above;
- (m) bought and sold notes dated 8 October 2014 entered into between ABO and Kan Yiu Kwok for the transfer of 9,998 ordinary shares of Sing Fat Construction as referred to in item (d) above;
- (n) bought and sold notes dated 8 October 2014 entered into between ABO and Kan Yiu Keung for the transfer of 9,998 ordinary shares of Sing Fat Construction as referred to in item (d) above;
- (o) bought and sold notes dated 8 October 2014 entered into between ABO and Kan Man Hoo for the transfer of 5,754 ordinary shares of Sing Fat Construction as referred to in item (d) above;
- (p) bought and sold notes dated 8 October 2014 entered into between ABO and Yau Shik Fan, Eddy for the transfer of 5,198 ordinary shares of Sing Fat Construction as referred to in item (d) above;
- (q) bought and sold notes dated 8 October 2014 entered into between ABO and Liu Winson Wing Sun for the transfer of 5,000 ordinary shares of Sing Fat Construction as referred to in item (d) above;
- (r) bought and sold notes dated 8 October 2014 entered into between ABO and Chan Lo Kin for the transfer of 4,518 ordinary shares of Sing Fat Construction as referred to in item (d) above;
- (s) a sale and purchase agreement dated [●] entered into among our Company, Liu Su Ke, Lai Kwan Han, Kan Yiu Kwok, Kan Yiu Keung, Kan Man Hoo, Yau Shik Fan, Eddy, Liu Winson Wing Sun and Chan Lo Kin, pursuant to which our Company acquired a total of 89,600 shares of US\$1 each in the share capital of ABO, representing the entire issued share capital of ABO, from Liu Su Ke, Lai Kwan Han, Kan Yiu Kwok, Kan Yiu Keung, Kan Man Hoo, Yau Shik Fan, Eddy, Liu Winson Wing Sun and Chan Lo Kin, and as

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consideration, (i) the one nil-paid Share then held by Profound was credited as fully paid at par, and (ii) [REDACTED] Shares, all credited as fully paid at par, were allotted and issued to Profound;

- (t) an instrument of transfer dated [●] executed by our Company and Chan Lo Kin for the transfer of 4,520 shares of US\$1 each in the share capital of ABO as referred to in item (s) above;
- (u) an instrument of transfer dated [●] executed by our Company and Kan Man Hoo for the transfer of 5,754 shares of US\$1 each in the share capital of ABO as referred to in item (s) above;
- (v) an instrument of transfer dated [●] executed by our Company and Kan Yiu Keung for the transfer of 10,000 shares of US\$1 each in the share capital of ABO as referred to in item (s) above;
- (w) an instrument of transfer dated [●] executed by our Company and Kan Yiu Kwok for the transfer of 10,000 shares of US\$1 each in the share capital of ABO as referred to in item (s) above;
- (x) an instrument of transfer dated [●] executed by our Company and Lai Kwan Hin for the transfer of 13,012 shares of US\$1 each in the share capital of ABO as referred to in item (s) above;
- (y) an instrument of transfer dated [●] executed by our Company and Liu Su Ke for the transfer of 36,116 shares of US\$1 each in the share capital of ABO as referred to in item (s) above;
- (z) an instrument of transfer dated [●] executed by our Company and Liu Winson Wing Sun for the transfer of 5,000 shares of US\$1 each in the share capital of ABO as referred to in item (s) above;
- (aa) an instrument of transfer dated [●] executed by our Company and Yau Shik Fan, Eddy for the transfer of 5,198 shares of US\$1 each in the share capital of ABO as referred to in item (s) above;
- (bb) a deed of non-competition in Chinese dated [●] executed among Liu Su Ke and our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-competition Undertaking” in this [REDACTED];
- (cc) a deed of non-competition in Chinese dated [●] executed among Lai Kwan Hin and our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-competition Undertaking” in this [REDACTED];

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- (dd) a deed of non-competition in Chinese dated [●] executed among Kan Yiu Kwok and our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-competition Undertaking” in this [REDACTED];
- (ee) a deed of non-competition in Chinese dated [●] executed among Kan Yiu Keung and our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-competition Undertaking” in this [REDACTED];
- (ff) a deed of non-competition in Chinese dated [●] executed among Kan Man Hoo and our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-competition Undertaking” in this [REDACTED];
- (gg) a deed of non-competition in Chinese dated [●] executed among Yau Shik Fan, Eddy and our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-competition Undertaking” in this [REDACTED];
- (hh) a deed of non-competition in Chinese dated [●] executed among Liu Winson Wing Sun and our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-competition Undertaking” in this [REDACTED];
- (ii) a deed of non-competition in Chinese dated [●] executed among Chan Lo Kin and our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-competition Undertaking” in this [REDACTED];
- (jj) a deed of non-competition in Chinese dated [●] executed among Profound and our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-competition Undertaking” in this [REDACTED];
- (kk) a deed of indemnity dated [●] executed by Liu Su Ke, Lai Kwan Hin, Kan Yiu Kwok, Kan Yiu Keung, Kan Man Hoo, Yau Shik Fan Eddy, Liu Winson Wing Sun, Chan Lo Kin and Profound containing the indemnities referred to in the paragraph headed “Tax and other indemnities” in this appendix; and
- (ll) the [REDACTED] Underwriting Agreement.


### 2. Intellectual property rights

#### (a) Trademark

As at the Latest Practicable Date, our Group had applied for registration of the following trademark, the registration of which has not yet been granted:

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Trademark	Class	Application Number	Application Date	Place of Application	Applicant
	37	302994166	13 May 2014	Hong Kong	Sing Fat Construction

(b) *Domain names*

As at the Latest Practicable Date, our Group has registered the following domain names:

Registrant	Domain Name	Registration Date	Expiry Date
Sing Fat Construction	SINGFAT.COM.HK	18 March 2004	27 March 2015
Sing Fat Construction	SINGFAT.HK	18 May 2004	8 June 2015
Sing Fat Construction	YAT-SING.COM.HK	8 October 2014	10 October 2015
Sing Fat Construction	YAT-SING.HK	8 October 2014	8 October 2015

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### C. FURTHER INFORMATION ABOUT SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND EXPERTS

#### 1. Disclosure of interests

- (a) Immediately following completion of the [REDACTED] but taking no account of any Shares which may be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, the interests and short positions of our Directors or chief executive of our Company in the shares, underlying shares and debentures of our Company or any of the associated corporations (within the meaning of Part XV of the SFO) which, once our Shares are listed on the Stock Exchange, will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to our Company and the Stock Exchange, in each case once our Shares are listed on the Stock Exchange, will be as follows:

##### (i) Long position in our Shares

Name of Director	Capacity/Nature	Number of Shares held/interested	Percentage of interest
Liu Su Ke	Interest of a controlled corporation <i>(Note 1)</i>	[REDACTED]	[REDACTED]

##### (ii) Long position in the ordinary shares of associated corporation

Name of Director	Name of associated corporation	Capacity/Nature	Number of Shares held/interested	Percentage of interest (approximate)
Liu Su Ke	Profound	Beneficial owner	[REDACTED]	[REDACTED]
Liu Winson Wing Sun	Profound	Beneficial owner	[REDACTED]	[REDACTED]
Kan Yiu Keung	Profound	Beneficial owner	[REDACTED]	[REDACTED]
Kan Yiu Kwok	Profound	Beneficial owner	[REDACTED]	[REDACTED]

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*Note:*

1. These Shares are held by Profound, the entire issued share capital of which is legally and beneficially owned as to approximately [REDACTED]% by Liu Su Ke, approximately [REDACTED]% by Lai Kwan Hin, approximately [REDACTED]% by Kan Yiu Keung, approximately [REDACTED]% by Kan Yiu Kwok, approximately [REDACTED]% by Kan Man Hoo, approximately [REDACTED]% by Yau Shik Fan, Eddy, approximately [REDACTED]% by Liu Winson Wing Sun and approximately [REDACTED]% by Chan Lo Kin. Therefore, Liu Su Ke is deemed, or taken to be, interested in [REDACTED] Shares held by Profound for the purpose of the SFO. Each of Liu Winson Wing Sun, Liu Su Ke, Chan Lo Kin and Kan Yiu Keung is a director of Profound.
- (b) So far as is known to our Directors and taking no account of any Shares which may be taken up under the [REDACTED], and Shares to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, the following persons (not being a Director or chief executive of our Company) will, immediately following the completion of the [REDACTED], have interests or short positions in Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who are, directly or indirectly, 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 our Group:

*Our Company*

Name	Capacity/Nature of interest	Number of Shares held/interested	Percentage of interest
Profound	Beneficial owner	[REDACTED]	[REDACTED]%
Ho Fung Chun	Interest of spouse <i>(Note 1)</i>	[REDACTED]	[REDACTED]%

*Note:*

1. Ho Fung Chun is the spouse of Liu Su Ke. Accordingly Ho Fung Chun is deemed, or taken to be, interested in all Shares and underlying Shares in which Liu Su Ke is interested in for the purpose of the SFO.

### 2. Particulars of service agreements

No Director has entered into any service agreement 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)).

### 3. Directors’ remuneration

- (a) The aggregate amount of remuneration paid to our Directors by our Group in respect of the Track Record Period were approximately HK\$1,168,000, HK\$1,188,000 and HK\$1,243,000, respectively.

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- (b) Under the arrangements currently in force, the aggregate emoluments (excluding payment pursuant to any discretionary benefits or bonus or other fringe benefits) payable by our Group to our Directors for the year ending 30 June 2015 will be approximately HK\$3,247,000.
- (c) Under the arrangements currently proposed, conditional upon the Listing, the basic annual remuneration (excluding payment pursuant to any discretionary benefits or bonus or other fringe benefits) payable by our Group to each of our Directors will be as follows:

HK\$

### Executive Directors

Liu Winson Wing Sun	1,140,000
Kan Yiu Keung	1,140,000
Chan Lo Kin	1,140,000

### Non-executive Director

Liu Su Ke	1,140,000
Kan Yiu Kwok	120,000

### Independent non-executive Directors

Tong Sze Wan	120,000
Lam Yiu Por	120,000
Kwong Ping Man	120,000

#### 4. Fees or commission received

Save as disclosed in the section headed “Underwriting” in this [REDACTED], none of our Directors or the experts named in the paragraph headed “Consents of experts” in this appendix had received any agency fee or commissions from our Group within the two years preceding the date of this [REDACTED].

#### 5. Related party transactions

Details of the related party transactions are set out under notes 25 and 34 to the Accountant’s Report set out in Appendix I to this [REDACTED].

#### 6. Disclaimers

Save as disclosed in this [REDACTED]:

- (a) there are no existing or proposed service contracts (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)) between our Directors and any member of our Group;



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- (b) none of our Directors or the experts named in the paragraph headed “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 date of this [REDACTED], 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;
- (c) none of our Directors or the experts named in the paragraph headed “Consents of experts” in this appendix is materially interested in any contract or arrangement subsisting at the date of this [REDACTED] which is significant in relation to the business of our Group taken as a whole;
- (d) taking no account of Shares which may be taken up under the [REDACTED], and Shares to be issued pursuant to options which may be granted under the Share Option Scheme, none of our Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the [REDACTED], have any interest in 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, or who will be interested, directly or indirectly, 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 our Group;
- (e) none of our Directors or chief executive of our Company has any interest or short position in our Shares, underlying Shares or debentures of our Company or any of the associated corporations (within the meaning of the SFO) which, once our Shares are listed on the Stock Exchange, will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions which he will be 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 referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listing Companies in the Listing Rules, to be notified to our Company and the Stock Exchange; and
- (f) so far as is known to our Directors, none of our Directors, their respective associates (as defined under the Listing Rules) or Shareholders who are interested in more than 5% of the issued share capital of our Company has any interests in the five largest customers or the five largest subcontractors of our Group.

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### D. SHARE OPTION SCHEME

#### 1. Definitions

For the purpose of this section, the following expressions have the meanings set out below unless the context requires otherwise:

“Adoption Date”	[●], the date on which the Share Option Scheme is conditionally adopted by the sole Shareholder by way of written resolution
“Board”	the board of Directors or a duly authorised committee of the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealings in securities
“Group”	our Company and any entity in which our Company, directly or indirectly, holds any equity interest
“Scheme Period”	the period commencing on the Adoption Date and expiring at the close of business on the business day immediately preceding the tenth anniversary thereof

#### 2. Summary of terms

The following is a summary of the principal terms of the rules of the Share Option Scheme conditionally adopted by the written resolutions of our sole Shareholder passed on [●]:

*(a) Purpose of the Share Option Scheme*

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of our Group and to promote the success of the business of our Group.

*(b) Who may join and basis of eligibility*

The Board may, at its absolute discretion and on such terms as it may think fit, grant any employee (full-time or part-time), director, consultant or adviser of our Group, or any substantial shareholder of our Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of our

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Group, options to subscribe at a price calculated in accordance with paragraph (c) below for such number of Shares as it may determine in accordance with the terms of the Share Option Scheme.

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, our independent non-executive Directors) from time to time on the basis of his contribution or potential contribution to the development and growth of our Group.

### *(c) Price of Shares*

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by our Board and notified to a participant and shall be at least the higher of: (i) the closing price of our Shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant of the option, which must be a Business Day; (ii) the average of the closing prices of our Shares as stated in the Stock Exchange’s daily quotations sheets for the five Business Days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option. For the purpose of calculating the subscription price, where our Company has been listed on the Stock Exchange for less than five Business Days, the issue price of the Shares on the Stock Exchange shall be used as the closing price for any Business Day fall within the period before listing.

### *(d) Grant of options and acceptance of offers*

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to our Company on acceptance of the offer for the grant of an option is HK\$1.

### *(e) Maximum number of Shares*

- (i) Subject to sub-paragraphs (i) and (iii) below, the maximum number of Shares issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of our Company as from the Adoption Date (excluding, for this purpose, Shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of our Company) must not in aggregate exceed 10% of all our Shares in issue as at the Listing Date. Therefore, it is expected that our Company may grant options in respect of up to [REDACTED] Shares (or such numbers of Shares as shall result from a sub-division or a consolidation of such [REDACTED] Shares from time to time) to the participants under the Share Option Scheme.

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- (ii) The 10% limit as mentioned above may be refreshed at any time by approval of the Shareholders in general meeting provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of our Company must not exceed 10% of our Shares in issue as at the date of approval of the refreshed limit. Options previously granted under the Share Option Scheme and any other share option schemes of our Company (including those outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of our Company) will not be counted for the purpose of calculating the refreshed 10% limit. A circular must be sent to our Shareholders containing the information as required under the Listing Rules in this regard.
- (iii) Our Company may seek separate approval from our Shareholders in general meeting for granting options beyond the 10% limit provided the options in excess of the 10% limit are granted only to grantees specifically identified by our Company before such approval is sought. In such event, our Company must send a circular to our Shareholders containing a generic description of such grantees, the number and terms of such options to be granted and the purpose of granting options to them with an explanation as to how the terms of the options will serve such purpose and all other information required under the Listing Rules.
- (iv) The aggregate 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 of our Company must not exceed 30% of our Shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes of our Company if this will result in such 30% limit being exceeded.

(f) *Maximum entitlement of each participant*

The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of our Company in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his associates abstaining from voting. In such event, our Company must send a circular to our Shareholders containing the identity of the grantee, the number and terms of the options to be granted (and options previously granted to such grantee), and all other information required under the Listing Rules. The number and terms (including the subscription price) of the options to be granted must be

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fixed before the approval of our Shareholders and the date of the Board meeting proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

*(g) Grant of options to certain connected persons*

- (i) Any grant of an option to a Director, chief executive or substantial shareholder of our Company (or any of their respective associates) must be approved by our independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).
- (ii) Where any 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 Shares issued and to be granted to such person under the Share Option Scheme and any other share option schemes of our Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant:
  - (a) representing in aggregate over 0.1% of our Shares in issue; and
  - (b) having an aggregate value, based on the closing price of our Shares at the date of each grant, in excess of HK\$5 million,

such further grant of options is required to be approved by our Shareholders at a general meeting of our Company, with voting to be taken by way of poll. Our Company shall send a circular to our Shareholders containing all information as required under the Listing Rules in this regard. All connected persons of our Company shall abstain from voting (except where any connected person intends to vote against the proposed grant). Any change in the terms of an option granted to a substantial Shareholder or an independent non-executive Director or any of their respective associates is also required to be approved by our Shareholders in the aforesaid manner.

*(h) Restrictions on the times of grant of options*

- (i) Our Company may not grant any options after inside information has come to its knowledge until such inside information has been announced. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:
  - (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company’s results for any year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and

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- (b) the deadline for our Company to publish an announcement of the results for any year, or half-year under the Listing Rules, or quarterly or other interim period (whether or not required under the Listing Rules).
- (ii) Further to the restrictions in paragraph (i) above, no option may be granted to a Director on any day on which financial results of our Company are published:
  - (a) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
  - (b) during the period of 30 days immediately preceding the publication date of the quarterly results and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.
- (i) *Time of exercise of option*

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

(j) *Performance targets*

Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no performance target which must be achieved before any of the options can be exercised.

(k) *Ranking of Shares*

Our Shares to be allotted upon the exercise of an option will be subject to all the provisions of the Articles for the time being in force and will rank *pari passu* in all respects with our fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other distributions paid or made after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be on or before the date of allotment, save that our Shares allotted upon the exercise of any option shall not carry any voting rights until the name of the grantee has been duly entered on the register of members of our Company as the holder thereof.

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*(l) Rights are personal to grantee*

An option shall not be transferable or assignable and shall be personal to the grantee of the option.

*(m) Rights on cessation of employment by death*

In the event of the death of the grantee (provided that none of the events which would be a ground for termination of employment referred to in (u) below arises within a period of three years prior to the death, in the case the grantee is an employee at the date of grant), the legal personal representative(s) of the grantee may exercise the option up to the grantee's entitlement (to the extent which has become exercisable and not already exercised) within a period of 12 months following his death provided that where any of the events referred to in (q), (r) and (s) occurs prior to his death or within such period of 12 months following his death, then his legal personal representative(s) may so exercise the option within such of the various periods respectively set out therein.

*(n) Rights on cessation of employment by dismissal*

In the event that the grantee is an employee of our Group at the date of grant and he subsequently ceases to be an employee of our Group on any one or more of the grounds that he has been guilty of serious misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his or her creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our Group, his option shall lapse automatically (to the extent not already exercised) on the date of cessation of his employment with our Group.

*(o) Rights on cessation of employment for other reasons*

In the event that the grantee is an employee, a consultant or an adviser (as the case may be) of a member of our Group at the date of grant and he subsequently ceases to be an employee, a consultant or an adviser (as the case may be) of our Group for any reason other than his death or the termination of his employment of an employee or engagement of a consultant or an adviser (as the case may be) on one or more of the grounds specified in (u) above, the option (to the extent not already lapsed or exercised) shall lapse on the expiry of three months after the date of cessation of such employment of an employee or engagement of a consultant or an adviser (as the case may be) (which date will be in the case of an employee the last actual working day, on which the grantee was physically at work with our Company or the relevant member of our Group whether salary is paid in lieu of notice or not, and in the case of a consultant or an adviser (as the case may be), the last actual day of providing consultancy or advisory services to the relevant member of our Group).



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*(p) Effects of alterations to share capital*

In the event of any alteration in the capital structure of our Company whilst any option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, open offer, consolidation, subdivision or reduction of the share capital of our Company (other than an issue of Shares as consideration in respect of a transaction to which any member of our Group is a party), such corresponding adjustments (if any) shall be made in the number of Shares subject to the option so far as unexercised; and/or the subscription prices, as the auditors of or independent financial adviser to our Company shall certify or confirm in writing (as the case may be) to the Board to be in their opinion fair and reasonable in compliance with the relevant provisions of the Listing Rules, or any guideline or supplemental guideline issued by the Stock Exchange from time to time, provided that any alteration shall give a grantee, as near as possible, the same proportion of the issued share capital of our Company as that to which he was previously entitled, but no adjustment shall be made to the effect of which would be to enable a Share to be issued at less than its nominal value.

*(q) Rights on a general offer*

In the event of a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) being made to all our Shareholders (or all such holders other than the offeror and/or any persons controlled by the offeror and/ or any person acting in association or concert with the offeror) and such offer becoming or being declared unconditional, the grantee (or, as the case may be, his legal personal representative(s)) shall be entitled to exercise the option in full (to the extent not already lapsed or exercised) at any time within one month after the date on which the offer becomes or is declared unconditional.

*(r) Rights on winding-up*

In the event a notice is given by our Company to our members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall on the same date as or soon after it despatches such notice to each member of our Group give notice thereof to all grantees and thereupon, each grantee (or, as the case may be, his legal personal representative(s)) shall be entitled to exercise all or any of his options at any time not 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 our 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 the relevant Shares to the grantee credited as fully paid.

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*(s) Rights on compromise or arrangement*

In the event of a compromise or arrangement between our Company and our Shareholders or the creditors of our Company being proposed in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company or companies pursuant to the Companies Law, our Company shall give notice thereof to all the grantees (or, as the case may be, their legal personal representatives) on the same day as it gives notice of the meeting to our Shareholders or the creditors to consider such a compromise or arrangement and the options (to the extent not already lapsed or exercised) shall become exercisable in whole or in part on such date not later than two Business Days prior to the date of the general meeting directed to be convened by the court for the purposes of considering such compromise or arrangement (“Suspension Date”), by giving notice in writing to our Company accompanied by a remittance for the full amount of the aggregate subscription price for our Shares in respect of which the notice is given whereupon our Company shall as soon as practicable and, in any event, no later than 3:00 p.m. on the Business Day immediately prior to the date of the proposed general meeting, allot and issue the relevant Shares to the grantee credited as fully paid. With effect from the Suspension Date, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. The Board shall endeavor to procure that our Shares issued as a result of the exercise of options hereunder shall for the purposes of such compromise or arrangement form part of the issued share capital of our Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court), the rights of grantees to exercise their respective options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the Share Option Scheme) as if such compromise or arrangement had not been proposed by our Company and no claim shall lie against our Company or any of its officers for any loss or damage sustained by any grantee as a result of such proposal, unless any such loss or damage shall have been caused by the act, neglect, fraud or wilful default on the part of our Company or any of our officers.

*(t) Lapse of options*

An option shall lapse automatically on the earliest of:

- (i) the expiry of the period referred to in paragraph (i) above;
- (ii) the date on which the Board exercises our Company’s right to cancel, revoke or terminate the option on the ground that the grantee commits a breach of paragraph (l);

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- (iii) the expiry of the relevant period or the occurrence of the relevant event referred to in paragraphs (m), (o), (q), (r) or (s) above;
  - (iv) subject to paragraph (r) above, the date of the commencement of the winding-up of our Company;
  - (v) the occurrence of any act of bankruptcy, insolvency or entering into of any arrangements or compositions with his creditors generally by the grantee, or conviction of the grantee of any criminal offence involving his integrity or honesty;
  - (vi) where the grantee is only a substantial shareholder of any member of our Group, the date on which the grantee ceases to be a substantial shareholder of such member of our Group; or
  - (vii) subject to the compromise or arrangement as referred to in paragraph (s) become effective, the date on which such compromise or arrangement becomes effective.
- (u) *Cancellation of options granted but not yet exercised*

Any cancellation of options granted but not exercised may be effected on such terms as may be agreed with the relevant grantee, as the Board may in its absolute discretion sees fit and in manner that complies with all applicable legal requirements for such cancellation.

(v) *Period of the Share Option Scheme*

The Share Option Scheme will remain in force for a period of ten years commencing on the date on the Adoption Date and shall expire at the close of business on the Business Day immediately preceding the tenth anniversary thereof unless terminated earlier by the Shareholders in general meeting.

(w) *Alteration to the Share Option Scheme*

- (i) The Share Option Scheme may be altered in any respect by resolution of the Board except that alterations of the provisions of the Share Option Scheme which alters to the advantage of the grantees of the options relating to matters governed by Rule 17.03 of the Listing Rules shall not be made except with the prior approval of the Shareholders in general meeting.
- (ii) Any amendment to any terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of options granted, or any change to the authority of the Board in respect of alteration of the Share Option Scheme must be approved by Shareholders in general meeting except where the alterations take effect automatically under the existing terms of the Share Option Scheme.

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- (iii) Any amendment to any terms of the Share Option Scheme or the options granted shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

### *(x) Termination to the Share Option Scheme*

Our Company by resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further options will be offered but options granted prior to such termination shall continue to be valid and exercisable in accordance with provisions of the Share Option Scheme.

### *(y) Conditions of the Share Option Scheme*

The Share Option Scheme is conditional upon the Listing Committee granting the listing of, and permission to deal in, our Shares which may be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme.

### **3. Present status of the Share Option Scheme**

Application has been made to the Listing Committee for the listing of and permission to deal in [REDACTED] Shares which fall to be issued pursuant to the exercise of options which may be granted under the Share Option Scheme.

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

## **E. OTHER INFORMATION**

### **1. Tax and other indemnities**

Mr. Liu Su Ke, Mr. Lai Kwan Hin, Mr. Kan Yiu Kwok, Mr. Kan Yiu Keung, Mr. Kan Man Hoo, Mr. Yau Shik Fan Eddy, Mr. Liu Winson Wing Sun, Mr. Chan Lo Kin and Profound (collectively, the “Indemnifiers”) have, under a deed of indemnity referred to in paragraph (kk) of the sub-section headed “Summary of material contracts” in this appendix, given joint and several indemnities to our Company for ourselves and as trustee for our subsidiaries in connection with, among other things, (a) any liability for Hong Kong estate duty which might be payable by any member of our Group under or by virtue of the provisions of Section 35 and Section 43 of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong) or any other similar legislation in any relevant jurisdiction outside Hong Kong arising on the death of any person at any time by reason of any transfer of any property to any member of our Group on or before the date on which the [REDACTED] becomes unconditional; (b) any taxation which might be payable by any member of our Group (i) in respect of any income, profits or gains earned, accrued or received or deemed to have been earned, accrued or received on or before the date on which [REDACTED] becomes unconditional; or (ii) in respect of or in consequence of any act, omission or event

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occurring or deemed to occur on or before the date on which the [REDACTED] becomes unconditional; (c) any claims, actions, demands, proceedings, suits, judgments, losses, payments, liabilities, damages, settlement payments, costs, charges, fees, expenses and fines of whatever nature suffered or incurred by any member of our Group as a result of or in connection with any litigation, arbitrations, claims (including counter-claims), complaints, demands and/or legal proceedings whether of criminal, administrative, contractual, tortious or otherwise nature, instituted by or against any member of our Group in relation to any act, non-performance, omission, events or otherwise occurred on or before the date on which the [REDACTED] becomes unconditional; and (d) any losses, liabilities, damages, costs, claims and expenses of whatever nature suffered or incurred by any member of our Group in relation to any non-compliance with the applicable laws, rules or regulations by any member of our Group on or before the date on which the [REDACTED] becomes unconditional except that provisions, reserve or allowance has been made for such liabilities in the audited consolidated financial statements of our Company or any other member of our Group for the Track Record Period. The Indemnifiers will, however, not be liable under the deed of indemnity for taxation to the extent that, among others:

- (a) specific provision, reserve or allowance has been made for such taxation liability in the audited combined financial statements of any member of our Group for the Track Record Period; or
- (b) 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
- (c) the liability arises in the ordinary course of business of our Group after 30 June 2014.

Our Directors have been advised that no material liability for estate duty under the laws of the Cayman Islands is likely to fall on our Group.

### 2. Litigation

Save as disclosed in the section headed “Business – Litigation and potential claims” of this [REDACTED], as at the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to our Directors to be pending or threatened against any member of our Group.

### 3. Sponsor

The Sponsor has made an application on behalf of our Company to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and Shares to be issued as mentioned herein including any Shares falling to be issued pursuant to the exercise of any options granted or to be granted under the Share Option Scheme.

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The Sponsor has confirmed to the Stock Exchange that it satisfies the independence test as stipulated under Rule 3A.07 of the Listing Rules.

Our Company has entered into an agreement with the Sponsor, pursuant to which our Company agreed to pay HK\$4,200,000 to the Sponsor to act as the sponsor to our Company for purposes of the [REDACTED].

### 4. Preliminary expenses

The preliminary expenses of our Company are estimated to be approximately HK\$38,000 and are payable by our Company.

### 5. Promoter

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

### 6. Qualifications of experts

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

Name	Qualifications
TC Capital Asia Limited	A licensed corporation under the SFO to engage in Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
SHINEWING (HK) CPA Limited	Certified Public Accountants
Appleby	Cayman Islands attorneys-at-law
Adrian Yeung & Cheng Solicitors	Legal advisers of our Company as to litigation in Hong Kong
Chan Chung	Barrister-at-law of Hong Kong, the legal counsel of our Company

### 7. Consents of experts

Each of TC Capital Asia Limited, SHINEWING (HK) CPA Limited, Adrian Yeung & Cheng Solicitors, Appleby and Mr. Chan Chung [has] given and [has] not withdrawn its written consent to the issue of this [REDACTED] with the inclusion of its reports and/or letter and/or opinion and/or valuation certificate and/or summary thereof (as the case may be) and/or reference to its name included herein in the form and context in which it is respectively included.

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### 8. Binding effect

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

### 9. Taxation of holders of Shares

#### (a) *Hong Kong*

Dealings in Shares registered on our Company’s Hong Kong branch register of members will be subject to Hong Kong stamp duty.

#### (b) *Cayman Islands*

No stamp duty is payable in the Cayman Islands on transfer of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

#### (c) *Consultation with professional advisers*

Intending holders of our 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 our Shares. It is emphasised that none of our Company, our Directors or other parties involved in the [REDACTED] accepts 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.

### 10. No material adverse change

Our Directors confirm that there has not been any material adverse change in the financial or trading position or prospects of our Group since 30 June 2014 (being the date to which the latest audited combined financial statements of our Group were made up).

### 11. Miscellaneous

- (a) Save as disclosed in this [REDACTED], within the two years immediately preceding the date of this [REDACTED]:
  - (i) no share or loan capital of our Company or any of the subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration than cash;



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- (ii) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of our Company or any of the subsidiaries and no commission has been paid or is payable in connection with the issue or sale of any capital of our Company or any of the subsidiaries;
  - (iii) no commission has been paid or is payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares or debenture of any of our Company or our subsidiaries; and
  - (iv) no share or loan capital of our Company or any of the subsidiaries is under option or is agreed conditionally or unconditionally to be put under option.
- (b) Neither our Company nor any of the subsidiaries has issued or agreed to issue any founders shares, management shares, deferred shares or any debentures.
- (c) Save as disclosed in the section headed “Underwriting” in this [REDACTED], none of the parties listed in the paragraph headed “Consents of experts” in this appendix is interested legally or beneficially in any securities of our Company or any of our subsidiaries; or has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of our Company or any of our subsidiaries.
- (d) The branch register of members of our Company will be maintained in Hong Kong by our Hong Kong Branch Share Registrar. Unless our Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Hong Kong Branch Share Registrar and may not be lodged in the Cayman Islands. All necessary arrangements have been made to ensure our Shares to be admitted into CCASS for clearing and settlement.
- (e) There has not been any interruption in the business of our Group which may have or have had a significant effect on the financial position of our Group in the 12 months immediately preceding the date of this [REDACTED].
- (f) No company within our Group is presently listed on any stock exchange or traded on any trading system.
- (g) We have no outstanding convertible debt securities.
- (h) Our Directors have been advised that, under Cayman Islands law, the use of a Chinese name pre-approved by the Registrar of Companies in the Cayman Islands by our Company in conjunction with the English name does not contravene Cayman Islands law.
- (i) The English text of this [REDACTED] shall prevail over the Chinese text.

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### 12. Bilingual [REDACTED]

The English language and Chinese language versions of this [REDACTED] are being published separately in reliance upon the exemption provided in section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice.