

CORNERSTONE INVESTORS

THE CORNERSTONE PLACING

The Company has entered into cornerstone investment agreements with certain investors (the “**Cornerstone Investors**”, and each a “**Cornerstone Investor**”), pursuant to which the Cornerstone Investors have agreed to subscribe at the Offer Price a certain number of our Offer Shares (the “**Cornerstone Placing**”).

Based on the Offer Price of HK\$17.00 (being the low-end of the proposed Offer Price range), the total number of Shares to be subscribed by the Cornerstone Investors would be 74,055,400, representing approximately (i) 45.71% of the International Offer Shares, assuming that the Over-allotment Option is not exercised; (ii) 39.18% of the International Offer Shares, assuming that the Over-allotment Option is fully exercised; (iii) 41.14% of the Offer Shares, assuming that the Over-allotment Option is not exercised; (iv) 35.78% of the Offer Shares, assuming that the Over-allotment Option is fully exercised; (v) 6.28% of the Shares in issue upon completion of the Global Offering, assuming that the Over-allotment Option is not exercised; and (vi) 6.14% of the Shares in issue upon completion of the Global Offering, assuming the Over-allotment Option is fully exercised.

Based on the Offer Price of HK\$19.25 (being the mid-point of the proposed Offer Price range), the total number of Shares to be subscribed by the Cornerstone Investors would be 72,453,400, representing approximately (i) 44.72% of the International Offer Shares, assuming that the Over-allotment Option is not exercised; (ii) 38.34% of the International Offer Shares, assuming that the Over-allotment Option is fully exercised; (iii) 40.25% of the Offer Shares, assuming that the Over-allotment Option is not exercised; (iv) 35.00% of the Offer Shares, assuming that the Over-allotment Option is fully exercised; (v) 6.14% of the Shares in issue upon completion of the Global Offering, assuming that the Over-allotment Option is not exercised; and (vi) 6.00% of the Shares in issue upon completion of the Global Offering, assuming the Over-allotment Option is fully exercised.

Based on the Offer Price of HK\$21.50 (being the high-end of the proposed Offer Price range), the total number of Shares to be subscribed by the Cornerstone Investors would be 71,186,800, representing approximately (i) 43.94% of the International Offer Shares, assuming that the Over-allotment Option is not exercised; (ii) 37.66% of the International Offer Shares, assuming that the Over-allotment Option is fully exercised; (iii) 39.55% of the Offer Shares, assuming that the Over-allotment Option is not exercised; (iv) 34.39% of the Offer Shares, assuming that the Over-allotment Option is fully exercised; (v) 6.03% of the Shares in issue upon completion of the Global Offering, assuming that the Over-allotment Option is not exercised; and (vi) 5.90% of the Shares in issue upon completion of the Global Offering, assuming the Over-allotment Option is fully exercised.

To the best knowledge of the Company, each of the Cornerstone Investors (including the qualified domestic institutional investor who will subscribe the Offer Shares for Youngor Group Co., Ltd., one of our Cornerstone Investors) and their respective ultimate beneficial owners is independent of each other, independent of the Company, its connected persons and their respective associates, and not an existing shareholder or close associates of the Company.

Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement to be issued by the Company on or around October 10, 2018.

CORNERSTONE INVESTORS

The Cornerstone Placing forms part of the International Offering. The Offer Shares to be subscribed for by the Cornerstone Investors will rank *pari passu* in all respects with the other fully paid Offer Shares in issue and will be counted towards the public float of the Company. None of the Cornerstone Investors will subscribe for any Offer Shares under the Global Offering (other than pursuant to the respective cornerstone investment agreements). Immediately following completion of the Global Offering, none of the Cornerstone Investors will have any Board representation in the Company, nor will any of the Cornerstone Investors become a substantial Shareholder (as defined in the Listing Rules). The Offer Shares to be subscribed for by the Cornerstone Investors may be adjusted by any reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering as described in “Structure of the Global Offering — The Hong Kong Public Offering”.

CORNERSTONE INVESTORS

The Company has entered into cornerstone investment agreements with each of the following Cornerstone Investors in respect of the Cornerstone Placing:

Cornerstone Investor	Investment Shares/ Amount	Indicative Offer Price ⁽²⁾	Number of Shares to be subscribed for	Approximate percentage of the International Offer Shares (assuming that Over-allotment Option is not exercised)	Approximate percentage of the International Offer Shares (assuming that Over-allotment Option is exercised in full)	Approximate percentage of the International Offer Shares (assuming that Over-allotment Option is not exercised)	Approximate percentages of the Offer Shares (assuming that Over-allotment Option is exercised in full)	Approximate percentages of the Offer Shares (assuming that Over-allotment Option is not exercised)	Approximate percentages of the Shares in issue immediately following completion of the Global Offering (assuming that the Overallotment Option is exercised in full)
									Approximate percentages of the Shares in issue immediately following completion of the Global Offering (assuming that the Overallotment Option is exercised in full)
Youngor Group Co., Ltd. (雅戈爾集團 股份有限公司) ⁽³⁾	60,350,200 Shares	Low-end: HK\$17.00	60,350,200	37.25%	31.93%	33.53%	29.15%	5.11%	5.00%
		Mid-point: HK\$19.25	60,350,200	37.25%	31.93%	33.53%	29.15%	5.11%	5.00%
		High-end: HK\$21.50	60,350,200	37.25%	31.93%	33.53%	29.15%	5.11%	5.00%
Foshan Yesheng Investment Co., Ltd. (佛山市業盛 投資有限公司)	US\$30,000,000 (equivalent to HK\$235,338,139) ⁽¹⁾⁽⁴⁾	Low-end: HK\$17.00	13,705,200	8.46%	7.25%	7.61%	6.62%	1.16%	1.14%
		Mid-point: HK\$19.25	12,103,200	7.47%	6.40%	6.72%	5.85%	1.03%	1.00%
		High-end: HK\$21.50	10,836,600	6.69%	5.73%	6.02%	5.24%	0.92%	0.90%

Notes:

- (1) Calculated based on the exchange rate of US\$1.00 : HK\$7.8446 as described in “Information about this Prospectus and the Global Offering — Exchange Rate Conversion” in this prospectus.
- (2) Being the low-end, mid-point and high-end of the proposed Offer Price range set out in this prospectus, respectively.

CORNERSTONE INVESTORS

- (3) According to the agreement, Youngor Group Co., Ltd agrees and undertakes that the subscription of the Offer Shares will be conducted through a qualified domestic institutional investor (the “QDII”) and that it will procure the due and punctual performance and observance by the QDII of all of the obligations, undertakings, representations, warranties, indemnities and liabilities of Youngor Group Co., Ltd arising out of, under or in connection with the agreement.
- (4) The investment amount is inclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% which the Cornerstone Investors will pay in respect of such Offer Shares.

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing:

1. Youngor Group Co., Ltd. (雅戈爾集團股份有限公司)

Youngor Group Co., Ltd. (“**Youngor Group**”) was established in 1993, with its shares listed on the Shanghai Stock Exchange (stock code: 600177) in 1998. Its principal activities include textiles and clothing, real estate development and financial investment businesses. Youngor Group is one of the largest private conglomerates in China, ranked 253th among the 2018 Top 500 Chinese Enterprises (2018年度中國企業500強) at the Top 500 Enterprise Submit Forum in 2018 (2018中國500強企業高峰論壇) and ranked 85th among the China Top 500 Private Enterprises (中國民營企業500強) by All-China Federation of Industry and Commerce. Youngor Group has been focusing on the research, development and design textiles and clothing products for over 30 years, and its brand “Youngor” is one of the leading brands for gentleman clothing in the PRC. Youngor Group’s investment business covers financing investment, industrial investment and equity investment, with assets of more than RMB30 billion.

2. Foshan Yesheng Investment Co., Ltd. (佛山市葉盛投資有限公司)

Foshan Yesheng Investment Co., Ltd. (“**Foshan Yesheng**”) is a company established in the PRC with limited liability and is wholly-owned by Mr. Ye Delin (葉德林). Foshan Yesheng is principally engaged in enterprise investment and management consultancy in the PRC.

Mr. Ye Delin is the chairman of Guangdong New Pearl Ceramics Group Co., Ltd. (“**Guangdong New Pearl**”, 廣東新明珠陶瓷集團有限公司) and Guangdong Summit Ceramics Group Co., Ltd. (廣東薩米特陶瓷集團有限公司), which hold “Guanzhu (冠珠)” and “Summit (薩米特)”, two of the 2018 top 10 ceramics brands in China. Guangdong New Pearl is a company established in 1999 in the PRC and is principally engaged in manufacturing and sales of ceramics products. Mr. Ye Delin is also the chairman of Foshan General Chambers and Commerce (佛山市工商聯合會), a standing committee member of the 12th session of the Guangdong Province National Committee of the Chinese People’s Political Consultative Conference, the vice chairman of China Building Ceramics and Sanitarywares Association (中國建築衛生陶瓷協會) and the vice chairman of Guangdong Province Federation of Industry and Commerce (廣東省工商聯合會).

CONDITIONS PRECEDENT

The subscription obligation of each Cornerstone Investor is subject to, among other things, the following conditions precedent: (i) the Hong Kong Underwriting Agreement and the International Underwriting Agreement having been entered into and having become unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto)

CORNERSTONE INVESTORS

and not having been terminated; and (ii) the Listing Committee of the Stock Exchange having granted the Listing of, and permission to deal in, the Shares and that such approval or permission not having been revoked.

RESTRICTIONS ON THE CORNERSTONE INVESTORS' INVESTMENT

Each of the Cornerstone Investors has agreed that, without the prior written consent of the Company, the Joint Sponsors and the relevant Joint Global Coordinators, it will not, whether directly or indirectly, at any time during the period of six (6) months starting from and inclusive of the Listing Date, (a) dispose of (as defined in the relevant cornerstone investment agreement) any of the relevant Offer Shares or any interest in any company or entity holding any of the relevant Offer Shares, other than in certain limited circumstances such as transfers to any wholly-owned subsidiary of such Cornerstone Investor provided that, amongst other requirements, such wholly-owned subsidiary undertakes to, and the Cornerstone Investor undertakes to procure that such subsidiary will, abide by such restrictions imposed on the Cornerstone Investor, (b) allow itself to undergo a change of control (which has the meaning ascribed to it under the Takeovers Code) at the level of its ultimate beneficial owner, or (c) enter into any transactions directly or indirectly with the same economic effect as any aforesaid transaction.