

APPENDIX V

STATUTORY AND GENERAL INFORMATION

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of our Company

Our Company was incorporated on February 8, 2021 in the Cayman Islands as an exempted company with limited liability with the registered company number 371593. Accordingly, our Company’s corporate structure and Articles are subject to relevant laws of the Cayman Islands. A summary of our Articles and Memorandum of Association is set out in Appendix IV of this document. Our registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111 Cayman Islands.

Our principal place of business is in 40/F, Dah Sing Financial Centre, 248 Queen’s Road East, Wanchai, Hong Kong. Our Company was registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on April 26, 2021. Ms. So Shuk Yee, Betty has been appointed as the authorized representative of our Company for the acceptance of service of process and notice, on behalf of our Company in Hong Kong at the above address.

2. Changes in authorized and issued share capital of our Company

As at the date of incorporation, our Company had an authorized share capital of HK\$380,000 divided into 380,000,000 Shares of a nominal or par value of HK\$0.001 each.

The following sets out the changes in our Company’s share capital since its incorporation:

On February 8, 2021, one Share of our Company with a par value of HK\$0.001 was transferred from the incorporator, an independent third party, to Eminent Future. The Company on February 8, 2021 allotted and issued (i) 40,019 Shares to Chance High, (ii) 47,549 Shares to Driving Force, (iii) 23,709 Shares to Eminent Future, (iv) 47,189 nil paid Shares to Excellent Zone, (v) 23,710 Shares to Rapid Gains, (vi) 37,577 Shares to Robbinsville, (vii) 428,291 Shares to Sky Focus and (viii) 351,955 Shares to Trade Honour.

On March 24, 2021, 44,403, 18,308 and 4,577 Shares were allotted and issued to Glorious Achievement, Golden Genius and Mr. Cheng, respectively.

On [●] 2022, the authorised share capital of our Company was increased from HK\$[380,000] to HK\$10,000,000 by the creation of a further [9,620,000,000] new Shares pursuant to the written resolutions of the Shareholders referred to in the paragraph headed “A. Further information about our Group – 4. Written resolutions of the Shareholders passed on [●]” in this section below.

See “History, Reorganization and Corporate Structure – Reorganization” to this Document for details of the Reorganization.

Immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] and the options that may be granted under the [REDACTED] Share Option Scheme), the authorised share capital of our Company will be HK\$10,000,000 divided into 10,000,000,000 Shares, of which [REDACTED] Shares will be allotted and issued fully paid or credited as fully paid and [REDACTED] Shares will remain unissued.

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Other than pursuant to the general mandate to allot and issue Shares as referred to in the paragraphs headed “4. Written resolutions of the Shareholders passed on [●]” and “5. Repurchase of our Shares by our Company” under this appendix, the Shares issuable pursuant to the exercise of the [REDACTED], the exercise of the options that may be granted under the [REDACTED] Share Option Scheme, the Directors do not have any present intention to allot and issue any of the authorised but unissued share capital of our Company and, without prior approval of the written resolutions of our Shareholders, no issue of Shares will be made which would effectively alter the control of our Company.

Save as disclosed above and as mentioned in the paragraph headed “– 4. Written resolutions of the Shareholders passed on [●]” below, there has been no alteration in our share capital within the two years immediately preceding the date of this document.

3. Changes in share capital of our subsidiaries

Our subsidiaries are referred to in the Accountants’ Report in Appendix I to this document. Save for the subsidiaries mentioned in the Accountants’ Report and in the section headed “History, Reorganization and Corporate Structure” in this document, our Company has no other subsidiaries.

The following subsidiaries of our Company have been incorporated within two years immediately preceding the date of this document:

Name of subsidiary	Place of incorporation	Date of incorporation
Dream Exploration Technology (Zhongshan) Co., Ltd* (夢想探索技術(中山)有限公司)	PRC	June 22, 2020
Zhuhai Readboy Software Technology Co., Ltd* (珠海讀書郎軟件科技有限公司)	PRC	January 8, 2021
Readboy Education Group Limited	BVI	February 23, 2021
Readboy Education (HK) Limited (讀書郎教育(香港)有限公司)	Hong Kong	March 5, 2021
Readboy Technology (Zhongshan) Co., Ltd* (讀書郎科技(中山)有限公司)	PRC	March 22, 2021
Readboy New Media Technology (Hangzhou) Co., Ltd (讀書郎新媒體技術(杭州)有限公司)	PRC	December 6, 2021
Zhongshan Reader Technology Co., Ltd* (中山讀書者科技有限公司)	PRC	December 27, 2021
Zhongshan Lang Selection Technology Co., Ltd* (中山市郎甄選科技有限公司)	PRC	January 13, 2022

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The following sets out the changes in the share capital of our subsidiaries during the two years immediately preceding the date of this document:

*Zhongshan Reader Technology Co., Ltd** (中山讀書者科技有限公司)

On April 14, 2022, the registered capital of Zhongshan Reader was increased from RMB2.0 million to RMB2.36 million by way of capital injection of RMB198,000 by Readboy Technology and RMB162,000 by Zhongshan Chengtian Technology Co., Ltd* (中山市誠天科技有限公司).

*Zhongshan Lang Selection Technology Co., Ltd** (中山市郎甄選科技有限公司)

On May 5, 2022, the registered capital of Zhongshan Selection was increased from RMB2.0 million to RMB2.36 million by way of capital injection of RMB198,000 by Readboy Technology and RMB162,000 by Hainan Zhenpin Selection Technology Co., Ltd.* (海南省臻品甄選科技有限公司).

Save as disclosed above and in the section headed “History, Reorganization and Corporate Structure” in this document, there has been no alteration in the share capital or the maximum number of shares allowed to be issued of any of our subsidiaries within the two years preceding the date of this document.

For details of the Reorganization which our Group has underwent in preparation for the [REDACTED], please refer to the section headed “History, Reorganization and Corporate Structure – Reorganization” in this document for further details.

4. Written resolutions of the Shareholders passed on [●]

On [●] 2022, resolutions of the Company were passed by the Shareholders that, among other things, the following:

- a) the authorised share capital of our Company was increased from HK\$380,000 divided into 380,000,000 Shares of HK\$0.001 each to HK\$10,000,000 divided into 10,000,000,000 Shares of HK\$0.001 each by the creation of additional 9,620,000,000 new Shares of a par value of HK\$0.01 each, all of which shall rank pari passu in all respects with the existing Shares;
- (b) conditional upon the satisfaction (or, if applicable, waiver) of the conditions set out in “Structure of the [REDACTED] – The [REDACTED]” in this document and pursuant to the terms set out therein:
 - (i) the Company approved and adopted the Memorandum and Articles of Association with effect conditional and immediately upon the [REDACTED];

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- (ii) the [REDACTED] and the grant of the [REDACTED] were approved and executive Director of our Company from time to time or (if applicable), any of his duly authorized attorney (the “**Authorized Signatory**”) were authorized to allot and issue the Shares pursuant to the [REDACTED] and the exercise of the [REDACTED];
- (iii) the [REDACTED] was approved and any Authorized Signatory would be authorized to implement the [REDACTED];
- (iv) conditional on the share premium account of our Company being credited as a result of the allotment and issue of the [REDACTED] pursuant to the [REDACTED], our Directors were authorised to capitalize a maximum amount of HK\$[REDACTED] standing to the credit of the share premium account of the Company and to apply such amount in paying up in full at par an aggregate of [REDACTED] Shares for allotment and issue, credited as fully paid at par and rank pari passu in all respects with each other and the existing issued Shares (except entitlement to the [REDACTED]), to the Shareholders on the register of members of our Company at the close of business on the date immediately preceding the date on which the [REDACTED] becomes unconditional (or as they may direct) in proportion to their respective shareholdings in our Company (as nearly as possible without fractions), and our Directors were authorised to give effect to such capitalization and distribution;
- (v) subject to the “lock-up” provisions under Rule 10.08 of the Listing Rules, a general unconditional mandate would be granted to the Directors to allot, issue and deal with the Shares or securities convertible into Shares or options, warrants or similar rights to subscribe for the Shares or such convertible securities and to make or grant offers, agreements or options which would or might require the exercise of such powers whether during or after the end of the Relevant Period (as defined below), provided that the aggregate number of Shares allotted or agreed to be allotted by the Directors other than pursuant to a (i) rights issue, (ii) any scrip dividend scheme or similar arrangement providing for the allotment of the Shares in lieu of the whole or part of a dividend on the Shares; (iii) the exercise or vesting of shares granted under the [REDACTED] Share Option Scheme or (iv) a specific authority granted by the Shareholder(s) in general meeting, shall not exceed the aggregate of:
 - (A) 20% of the total number of Shares in issue immediately following the completion of the [REDACTED];
 - (B) the aggregate number of Shares brought back by the Company (if any) under the general mandate to buy back Shares referred to in paragraph below;

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- (C) such mandate to remain in effect during the period from the passing of the resolution until the earliest of (i) the conclusion of the next annual general meeting of the Company unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions, (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association or any applicable laws to be held, and (iii) the date on which the mandate is varied or revoked by an ordinary resolution of the Shareholder(s) in general meeting (the “**Relevant Period**”);

- (vi) a general unconditional mandate would be granted to the Directors to exercise all the powers of the Company to buy back the Shares on the Stock Exchange, or on any other stock exchange on which the Shares may be [REDACTED] (and which is recognized by the SFC and the Stock Exchange for this purpose) not exceeding in aggregate 10% of the total number of Shares in issue immediately following the completion of the [REDACTED] but excluding (where applicable) any Shares which may be issued pursuant to the exercise of the [REDACTED] of the Company or under the [REDACTED] Share Option Scheme in accordance with all applicable laws and the requirements of the Listing Rules, such mandate to remain in effect during the period from the passing of the resolution until the earliest of (i) the conclusion of the next annual meeting of the Company unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions, (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association or any applicable laws to be held, and (iii) the date on which the mandate is varied or revoked by an ordinary resolution of the Shareholder(s) in general meeting.

- (vii) the general unconditional mandate as mentioned in paragraph (iv) above was extended by the addition to the aggregate nominal value of the Shares which may be allotted and issued or agreed to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the aggregate number of the Shares repurchased by our Company pursuant to the mandate to purchase Shares referred to in paragraph (v) above up to 10% of the aggregate number of the Shares in issue immediately following completion of the [REDACTED], excluding any Shares which may fall to be issued pursuant to the exercise of the Overallotment Option or under the [REDACTED] Share Option Scheme; and

- (viii) the conditional adoption of the [REDACTED] Share Option Scheme and the [REDACTED] RSU Scheme were approved.

5. Repurchase of our Shares by our Company

This section includes information required by the Stock Exchange to be included in this document concerning the repurchase by our Company of its Shares.

Provisions of the Listing Rules

The Listing Rules permit companies with a primary [REDACTED] on the Hong Kong Stock Exchange to buy back their securities on the Hong Kong Stock Exchange subject to certain restrictions, the more important of which are summarized below:

(i) *Shareholders’ approval*

All proposed purchases of Shares (which must be fully paid up) by a company with a primary [REDACTED] on the Hong Kong Stock Exchange must be approved in advance by an ordinary resolution of the shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a written resolution passed by our then Shareholders on [●], 2022, a general unconditional mandate (the “**Buy-back Mandate**”) was given to the Directors authorizing any purchase by us of Shares on the Hong Kong Stock Exchange or on any other approved stock exchange on which the securities may be [REDACTED] and which is recognized by the SFC and the Hong Kong Stock Exchange for this purpose, of not more than 10% of the aggregate nominal value of our Shares in issue immediately following the completion of the [REDACTED], such mandate to expire at the conclusion of our next annual general meeting, the date by which our next annual general meeting is required by our Articles of Association or any other applicable laws to be held or when revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever first occurs.

(ii) *Source of funds*

Purchases must be funded out of funds legally available for such purpose in accordance with the Articles of Association and the laws of the Cayman Islands. A listed company may not buy back its own securities on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange from time to time. Under the Cayman Companies Act, the par value of any Shares bought back by us may be provided for out of our profits, out of the share premium account or out of the proceeds of a fresh issue of Shares made for the purpose of the purchase or, if so authorized by the Articles of Association and subject to the provisions of the Cayman Companies Act, out of capital. Any premium payable on a purchase over the par value of the Shares to be bought back must be provided for out of our profits or from sums standing to the credit of our share premium account or, if so authorized by the Articles of Association and subject to the provisions of the Cayman Companies Act, out of capital.

(iii) *Trading restrictions*

The total number of Shares which we may buy back is up to 10% of the total number of our Shares in issue immediately after the completion of the [REDACTED] (but not taking into account any Shares which may be issued pursuant to the exercise of the [REDACTED]). We may not issue or announce a proposed issue of Shares for a period of 30 days immediately following a purchase

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of Shares, without the prior approval of the Hong Kong Stock Exchange. We are also prohibited from buying back Shares on the Hong Kong Stock Exchange if the purchase would result in the number of [REDACTED] Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Hong Kong Stock Exchange. We are required to procure that the broker appointed by us to effect a purchase of Shares discloses to the Hong Kong Stock Exchange such information with respect to the purchase as the Hong Kong Stock Exchange may require. As required by the prevailing requirements of the Listing Rules, an issuer shall not purchase its shares on the Hong Kong Stock Exchange if the purchase price is higher by 5% or more than the average closing [REDACTED] for the five preceding trading days on which its shares were [REDACTED] on the Hong Kong Stock Exchange.

(iv) Status of bought-back Shares

All bought-back Shares (whether effected on the Hong Kong Stock Exchange or otherwise) will be automatically [REDACTED] and the certificates for those Shares must be canceled and destroyed. Under Cayman Companies Act, a company's bought-back shares shall be treated as canceled (unless the company has resolved to hold the shares as treasury shares and the Memorandum and the Article do not prohibit it from holding treasury shares and the relevant provisions of the Memorandum and the Articles (if any) are complied with) and the amount of the company's issued share capital shall be reduced by the aggregate par value of the bought back shares accordingly although the authorized share capital of the company will not be reduced.

(v) Suspension of buy back

Pursuant to the Listing Rules, we may not make any purchases of Shares after inside information has come to our knowledge until the information is made publicly available. In particular, under the requirements of the Listing Rules in force as of the date hereof, during the period of one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Listing Rules) for the approval of our results for any year, half year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for us to publish an announcement of our results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and in each case ending on the date of the results announcement, we may not buy back Shares on the Hong Kong Stock Exchange unless the circumstances are exceptional.

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(vi) Procedural and reporting requirements

As required by the Listing Rules, purchases of Shares on the Hong Kong Stock Exchange or otherwise must be reported to the Hong Kong Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Hong Kong Stock Exchange business day following any day on which we may make a purchase of Shares. The report must state the total number of Shares purchased the previous day, the purchase price per Share or the highest and lowest prices paid for such purchases. In addition, our annual report is required to disclose details regarding purchases of Shares made during the year, including a monthly analysis of the number of shares bought-back, the purchase price per Share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate prices paid.

(vii) Connected persons

A company is prohibited from knowingly buying back securities on the Hong Kong Stock Exchange from a connected person (as defined in the Listing Rules) and a connected person shall not knowingly sell its securities to the company on the Hong Kong Stock Exchange.

(a) Reasons for purchases

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

(b) Funding of purchases

In securities buy-back, we may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands.

On the basis of the current financial position as disclosed in this document and taking into account the current working capital position, the Directors consider that, if the Buy-back Mandate were to be exercised in full, it might have a material adverse effect on our working capital and/or gearing position as compared with the position disclosed in this document. The Directors, however, do not propose to exercise the Buy-back Mandate to such

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an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or gearing levels which in the opinion of the Directors are from time to time appropriate for us.

The exercise in full of the Buy-back Mandate, on the basis of [REDACTED] Shares in issue immediately following the completion of the [REDACTED] (but not taking into account any Shares which may be issued pursuant to the exercise of the [REDACTED]), could accordingly result in [REDACTED] Shares being bought back by us during the period prior to (1) the conclusion of our next annual general meeting; (2) the expiration of the period within which we are required by any applicable law or our Articles to hold our next annual general meeting; or (3) the revocation or variation of the purchase mandate by an ordinary resolution of the Shareholders in general meeting, whichever occurs first (the "**Relevant Period**").

(c) General

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to us or our subsidiaries.

The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the Buy-back Mandate in accordance with the Listing Rules and the applicable laws and regulations of the Cayman Islands. We have not bought back any Shares since our incorporation.

If, as a result of any purchase of Shares, a shareholder's proportionate interest in our voting rights is increased, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any purchases pursuant to the Buy-back Mandate. Any purchase of Shares which results in the number of Shares held by the public being reduced to less than 25% of our Shares than in issue could only be implemented with the approval of the Hong Kong Stock Exchange to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No connected person has notified us that he or she has a present intention to sell Shares to us, or has undertaken not to do so, if the Buy-back Mandate is exercised.

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B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by our Company or any member of our Group within two years preceding the date of this document and are or may be material:

- (a) the capital increase agreement dated December 15, 2019 entered into among Mr. Chen, Mr. Qin, Mr. Wu Jianhua, Mr. Chen Jiafeng, Ms. Zhong Xiangling, Ms. Liu Zhilan, Hui Tong and Mr. Shen Jianfei, pursuant to which Mr. Shen Jianfei agreed to subscribe for the increase in registered capital of Readboy Technology in the amount of RMB3.46 million for a consideration of RMB17.31 million;
- (b) the share purchase agreement dated March 22, 2021 entered into among Glorious Achievement, Golden Genius, Mr. Cheng, Mr. Chen, Sky Focus, Mr. Qin, Trade Honour, Readboy Education Group, Readboy Education HK, Readboy Technology, Zhuhai Readboy and the Company, pursuant to which Glorious Achievement, Golden Genius and Mr. Cheng subscribed for 44,403, 18,308 and 4,577 Shares respectively for a consideration of US\$15,000,000, US\$6,184,674.38 and US\$1,546,168.59 respectively;
- (c) an exclusive business cooperation agreement dated March 23, 2021 entered into by and between the WFOE and Zhuhai Readboy, pursuant to which the WFOE has the exclusive right to provide Zhuhai Readboy with management consulting and business support services, and as consideration, Zhuhai Readboy shall pay WFOE a service fee;
- (d) an exclusive call option agreement dated March 23, 2021 entered into by and between the WFOE, Zhuhai Readboy and the Registered Shareholders, pursuant to which the Registered Shareholders unconditionally and irrevocably agreed to grant the WFOE or its designated third party an exclusive option to purchase all or part of the equity interests in Zhuhai Readboy;
- (e) an equity pledge agreement dated March 23, 2021 entered into by and between the WFOE, Zhuhai Readboy and the Registered Shareholders, pursuant to which the Registered Shareholders agreed to pledge all of the equity interests in Zhuhai Readboy to the WFOE;
- (f) the power of attorney executed by each of the Registered Shareholders dated March 23, 2021, appointing the WFOE, or any person designated by the WFOE, to exercise his/her/its respective shareholder's rights in Zhuhai Readboy;

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- (g) the shareholders' rights entrustment agreement dated March 23, 2021 entered into by and between the WFOE, Zhuhai Readboy and the Registered Shareholders, pursuant to which the Registered Shareholders irrevocably authorized and entrusted the WFOE or such persons as the WFOE may designate to exercise all of its respective rights as shareholder of Zhuhai Readboy;
- (h) the equity transfer agreement dated March 23, 2021 entered into between Readboy Technology and Mr. Qin, pursuant to which Readboy Technology transferred its 49% equity interests held in Zhuhai Readboy to Mr. Qin for a consideration of RMB 4.9 million;
- (i) the equity transfer agreement dated March 23, 2021 entered into between Readboy Technology and Mr. Shen Jianfei, pursuant to which Readboy Technology transferred its 51% equity interests held in Zhuhai Readboy to Mr. Shen Jianfei for a consideration of RMB 5.1 million;
- (j) a capital increase agreement dated April 6, 2021 entered into between Readboy Technology and Union Hi-tech Development Limited pursuant to which Union Hi-tech Development Limited subscribed for 1% equity interest in Readboy Technology at a consideration of RMB1,677,229;
- (k) the share transfer agreement dated April 15, 2021 entered into between the WFOE and Mr. Chen, pursuant to which Mr. Chen transferred his 42.4008% equity interests held in Readboy Technology to the WFOE at a consideration of RMB424,008;
- (l) the share transfer agreement dated April 15, 2021 entered into between the WFOE and Mr. Qin, pursuant to which Mr. Qin transferred his 34.8435% equity interests held in Readboy Technology to the WFOE at a consideration of RMB348,435;
- (m) the share transfer agreement dated April 15, 2021 entered into between the WFOE and Mr. Wu Jianhua, pursuant to which Mr. Wu Jianhua transferred his 3.7201%% equity interests held in Readboy Technology to the WFOE at a consideration of RMB37,201;
- (n) the share transfer agreement dated April 15, 2021 entered into between the WFOE and Hui Tong, pursuant to which Hui Tong transferred its 4.7074%% equity interests held in Readboy Technology to the WFOE at a consideration of RMB47,074;
- (o) the share transfer agreement dated April 15, 2021 entered into between the WFOE and Mr. Chen Jiafeng, pursuant to which Mr. Chen Jiafeng transferred his 4.6718% equity interests held in Readboy Technology to the WFOE at a consideration of RMB46,718;

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- (p) the share transfer agreement dated April 15, 2021 entered into between the WFOE and Ms. Zhong Xiangling, pursuant to which Ms. Zhong Xiangling transferred her 2.3473% equity interests held in Readboy Technology to the WFOE at a consideration of RMB23,473;
- (q) the share transfer agreement dated April 15, 2021 entered into between the WFOE and Ms. Liu Zhilan, pursuant to which Ms. Liu Zhilan transferred her 2.3473% equity interests held in Readboy Technology to the WFOE at a consideration of RMB23,473;
- (r) the share transfer agreement dated April 15, 2021 entered into between the WFOE and Mr. Shen Jianfei, pursuant to which Mr. Shen Jianfei transferred his 3.9618% equity interests held in Readboy Technology to the WFOE at a consideration of RMB39,618;
- (s) the share transfer agreement dated April 19, 2021 entered into between the WFOE and Union Hi-Tech Development Limited, pursuant to which Union Hi-Tech transferred its 1% equity interests held in Readboy Technology to the WFOE at a consideration of RMB1,679,067; and
- (t) the [REDACTED].


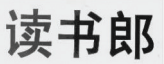
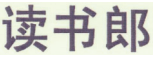


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2. Intellectual Property Rights

(a) Trademarks



As at the Latest Practicable Date, we have registered the following trademark in the PRC which we consider to be material to our business:

No.	Trademark	Class	Registered Owner	Registration Number	Expiry Date
1.		9	Readboy Technology	1261391	April 6, 2029
2.		28	Readboy Technology	1380908	April 6, 2030
3.		16	Readboy Technology	3027194	February 14, 2024
4.		41	Readboy Technology	3031731	April 20, 2023
5.	Readboy	41	Readboy Technology	3389891	June 6, 2024
6.	Readboy	28	Readboy Technology	3389897	August 13, 2024
7.	Readboy	16	Readboy Technology	3389898	September 27, 2024
8.	Readboy	9	Readboy Technology	3389899	March 13, 2024
9.		35	Readboy Technology	31711102	March 20, 2029
10.		28	Readboy Technology	31723288	March 20, 2029
11.		16	Readboy Technology	31726374	March 20, 2029
12.		9	Readboy Technology	31728593	March 20, 2029
13.	readboy	9	Readboy Technology	32324488	April 13, 2029
14.	readboy	41	Readboy Technology	32324580	April 20, 2029

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No.	Trademark	Class	Registered Owner	Registration Number	Expiry Date
15.	readboy	35	Readboy Technology	32327172	April 13, 2029
16.	readboy	28	Readboy Technology	32333427	April 13, 2029
17.	readboy	16	Readboy Technology	32335042	April 13, 2029
18.	读书郎	9	Readboy Technology	36154322	September 27, 2029
19.	读书郎	35	Readboy Technology	36155812	September 27, 2029
20.	读书郎	16	Readboy Technology	36159806	September 27, 2029
21.	读书郎	41	Readboy Technology	36168337	September 27, 2029
22.	读书郎	28	Readboy Technology	36172824	September 27, 2029

As at the Latest Practicable Date, we have registered the following trademarks in Hong Kong which we consider to be material to our business:

No.	Trademark	Class	Registered Owner	Registration Number	Expiry Date
1.		9, 14, 25, 28	Readboy Technology	305561145AA	March 11, 2031
2.		16, 35	Readboy Technology	305561145AB	March 11, 2031
3.	readboy	9, 14, 16, 18, 25, 28, 35, 41	Readboy Technology	305561154	March 11, 2031

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(b) Patents

As at the Latest Practicable Date, we have registered the following patents in the PRC which we consider to be material to our business:

No.	Patent	Patentee	Patent Number	Expiry Date
1.	A method of automatically targeting and transmitting with camera	Readboy Technology	ZL201510085571.4	February 15, 2035
2.	A method and apparatus capable of efficient access to notes	Readboy Technology	ZL201511016766.X	December 27, 2035
3.	A method and system for synchronous operation of mobile terminals	Readboy Technology	ZL201610997977.4	November 11, 2036
4.	A wearable smart device	Readboy Technology	ZL201810087397.0	January 29, 2038
5.	A smart phone watch with precise touch and damp-proof function	Readboy Technology	ZL201810240971.1	March 21, 2038
6.	A power management method for mobile terminals	Readboy Technology	ZL201910209477.3	March 18, 2039
7.	A wearable device	Readboy Technology	ZL201910269391.X	April 3, 2039
8.	A safety insurance method and system based on a high-security smartwatch for children	Readboy Technology	ZL201910507893.1	June 11, 2039
9.	An identification method, device and storage medium with multiple fingerprint and palmprint information	Readboy Technology	ZL201910507196.6	June 11, 2039
10.	An intelligent growth companion robot for children	Readboy Technology	ZL201910809995.9	August 28, 2039
11.	A method, device and computer storage medium for smart classroom student management	Zhuhai Readboy	ZL201910268004.0	April 2, 2039
12.	Method, device and storage medium for linking microphone in online education live streaming	Zhuhai Readboy	ZL201910507188.1	June 11, 2039

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No.	Patent	Patentee	Patent Number	Expiry Date
13.	A smart classroom-based wireless routing device with configurable caching system	Zhuhai Readboy	ZL201910507184.3	June 11, 2039
14.	A method and system for switching student device accounts for an entire class in a smart classroom	Zhuhai Readboy	ZL201910651995.0	July 17, 2039
15.	A structure to realize AR photo-taking	Readboy Technology	ZL201921888916.X	November 3, 2029
16.	An assembly stacking structure for 5G portable communication devices	Readboy Technology	ZL202020549633.9	April 13, 2030
17.	An intelligent lifting device for AR photo-taking	Readboy Technology	ZL202020551266.6	April 13, 2030
18.	A tablet with retractable camera	Readboy Technology	ZL201720146092.3	February 17, 2027

(c) Domain Names

As at the Latest Practicable Date, we have registered the following domain names which we consider to be material to our business:

No.	Domain name	Registered Owner	Date of Registration	Expiry Date
1	readboy.com	Readboy Technology	November 8, 1999	May 19, 2026
2	readboydata.com	Readboy Technology	November 3, 2004	June 3, 2026
3	readboykids.com	Readboy Technology	November 27, 2012	November 27, 2026
4	classone.cn	Readboy Technology	May 19, 2009	May 19, 2026
5	classone.com.cn	Readboy Technology	October 7, 2015	October 7, 2027
6	readboy.com.cn	Readboy Technology	August 4, 2018	August 4, 2024
7	readboybook.com	Readboy Technology	January 10, 2011	January 10, 2023
8	xcoad.com	Readboy Technology	May 10, 2010	May 10, 2026
9	readboy.net	Zhuhai Readboy	November 22, 2015	November 22, 2024
10	dslwx.com	Zhuhai Readboy	July 23, 2019	July 23, 2023
11	dslwx.cn	Zhuhai Readboy	July 23, 2019	July 23, 2023
12	dreamwang.com	Readboy Technology	June 17, 2010	June 17, 2027
13	dslxiaotiancai.com	Readboy Technology	October 29, 2015	October 29, 2023

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(d) Copyrights

As at the Latest Practicable Date, we have registered the following copyrights which we consider to be material to our business:

No.	Name of Copyright	Registered Owner	Copyright Registration Number	Place of Registration	Registration Date
1.	Readboy* (《讀書郎》)	Readboy Technology	Yue Zuo Deng Zi-2019-F- 00013755	PRC	July 25, 2019
2.	Cartoon Characters of the Journey to the West Series* (《西遊記系列卡通 人物》)	Readboy Technology	Yue Zuo Deng Zi-2013-F- 00000898	PRC	April 8, 2013
3.	Classes Taught by Famous Teacher* (《名師輔導班》)	Readboy Technology	Guo Zuo Deng Zi-2020-I- 01091067	PRC	August 4, 2020
4.	Xiaolang* (《小郎》)	Readboy Technology	Guo Zuo Deng Zi-2021-F- 00007365	PRC	January 12, 2021
5.	Readboy-Bulu Boshi* (《讀書郎- 布魯博士》)	Readboy Technology	Guo Zuo Deng Zi-2021-F- 00067844	PRC	December 17, 2020
6.	Readboy-Dagua* (《讀書郎-大瓜》)	Readboy Technology	Guo Zuo Deng Zi-2021-F- 00067841	PRC	March 23, 2021
7.	Readboy-Huanhuan* (《讀書郎-歡歡》)	Readboy Technology	Guo Zuo Deng Zi-2021-F- 00067847	PRC	March 23, 2021
8.	Readboy-Pipi* (《讀書郎-皮皮》)	Readboy Technology	Guo Zuo Deng Zi-2021-F- 00067840	PRC	March 23, 2021
9.	Readboy-Xiaogua* (《讀書郎-小瓜》)	Readboy Technology	Guo Zuo Deng Zi-2021-F- 00067843	PRC	March 23, 2021
10.	Readboy-Lele* (《讀書郎-樂樂》)	Readboy Technology	Guo Zuo Deng Zi-2021-F- 00067846	PRC	March 23, 2021

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(e) Software Copyrights

As at the Latest Practicable Date, we have registered the following software copyrights which we consider to be material to our business:

No.	Certificate Number	Name of Software	Registered Owner(s)	Registration Number	Expiry date of Protection
1.	Ruan Zhu Deng Zi No. 1254071	Readboy Online Test Bank Evaluation Software [Abb: Readboy Test Bank Software] V1.0	Readboy Technology	2016SR075454	December 31, 2065
2.	Ruan Zhu Deng Zi No. 1284854	Readboy Learning Eye Educational Software [Abb: Learning Eye] V1.0	Readboy Technology	2016SR106237	/
3.	Ruan Zhu Deng Zi No. 1286403	Readboy Learning OS System Software [Abb: Learning OS] V1.0	Readboy Technology	2016SR107786	/
4.	Ruan Zhu Deng Zi No. 2013153	Readboy E-backpack Smart Classroom Educational Software [Abb: Readboy E-backpack] V1.0	Readboy Technology	2017SR427869	December 31, 2067
5.	Ruan Zhu Deng Zi No. 4556182	Readboy Micro Classroom Educational Learning Software [Abb: Micro Classroom] V4.0.23	Readboy Technology	2019SR1135425	December 31, 2069
6.	Ruan Zhu Deng Zi No. 6307113	Touch Q&A Software [Abb: Touch Q&A] V1.0.20	Readboy Technology	2020SR1506141	December 31, 2070
7.	Ruan Zhu Deng Zi No. 6372905	Readboy Homework Correction Educational Learning Software [Abb: Homework Correction] V1.1.2	Readboy Technology	2020SR157933	December 31, 2070
8.	Ruan Zhu Deng Zi No. 6338791	Readboy Smart Marking System [Readboy Smart Marking] V1.0	Zhuhai Readboy	2020SR1537819	December 31, 2070
9.	Ruan Zhu Deng Zi No. 7064600	Readboy Dictionary Search Educational Learning Software [Abb: Dictionary Search] V2.5.1	Readboy Software	2021SR0342373	December 31, 2071

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<u>No.</u>	<u>Certificate Number</u>	<u>Name of Software</u>	<u>Registered Owner(s)</u>	<u>Registration Number</u>	<u>Expiry date of Protection</u>
10.	Ruan Zhu Deng Zi No. 7064612	Readboy Multilingual Translation Educational Learning Software V2.1.9	Readboy Software	2021SR0342385	December 31, 2071
11.	Ruan Zhu Deng Zi No. 7064544	Readboy Parent Assistant Software [Abb: Parent Assistant] V2.3.22	Readboy Software	2021SR0342327	December 31, 2071
12.	Ruan Zhu Deng Zi No. 7071440	Readboy Phonics Learning Educational Learning Software [Abb: Phonics Learning] V5.9	Readboy Software	2021SR0349213	December 31, 2071
13.	Ruan Zhu Deng Zi No. 7093993	Readboy Interactive Teaching Software for Dual-tutor Live Streaming Classes [Abb: Dual-tutor Live Streaming Classes] V3.12.10	Readboy Software	2021SR0371766	December 31, 2071
14.	Ruan Zhu Deng Zi No. 7064608	Readboy Ask Homework Educational Learning Software [Abb: Ask Homework] V3.3.26	Readboy Software	2021SR0342381	December 31, 2071
15.	Ruan Zhu Deng Zi No. 7093994	Readboy Five Dimensional Educational Learning Software [Abb: Five Dimensional] V3.1.25	Readboy Software	2021SR0371767	December 31, 2071
16.	Ruan Zhu Deng Zi No. 7064607	Readboy Primary School English Grammar Educational Learning Software V1.3.4	Readboy Software	2021SR0342380	December 31, 2071
17.	Ruan Zhu Deng Zi No. 7064606	Readboy Learning Circle for Learning Tracking System V1.1.37	Readboy Software	2021SR0342379	December 31, 2071
18.	Ruan Zhu Deng Zi No. 7071352	Readboy Applied E-commerce Management System [Abb: Readboy E-commerce] V3.3.5	Readboy Software	2021SR0349125	December 31, 2070

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C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Interests and short positions of the Directors and the chief executive

Immediately following completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares which may be issued pursuant to the [REDACTED] RSU Scheme and [REDACTED] Share Option Scheme), so far as our Directors are aware, the interests or short positions of our Directors and chief executive of our Company in the Shares, underlying Shares and debentures of our Company and our 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 or short positions which they were 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 in that section, or which will be required, pursuant to the Model Code of Securities Transactions by Directors of the Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to our Company and the Stock Exchange, in each case once our Shares are [REDACTED], will be as follows:

Name of Directors	Capacity/Nature of interest	Number of Shares ⁽¹⁾	Approximate percentage of shareholding interest held immediately after the [REDACTED] and the [REDACTED] ⁽²⁾
Mr. Chen ⁽³⁾⁽⁴⁾	Founder of a discretionary trust; interest held jointly with another person	[REDACTED]	[REDACTED]%
Mr. Qin ⁽³⁾⁽⁵⁾	Interest in a controlled corporation; interest held jointly with another person	[REDACTED]	[REDACTED]%
Ms. Liu Zhilan ⁽⁶⁾	Interest in a controlled corporation; Trustee	[REDACTED]	[REDACTED]%

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<u>Name of Directors</u>	<u>Capacity/Nature of interest</u>	<u>Number of Shares⁽¹⁾</u>	<u>Approximate percentage of shareholding interest held immediately after the [REDACTED] and the [REDACTED]⁽²⁾</u>
Mr. Chen Jiafeng ⁽⁷⁾	Interest in a controlled corporation	[REDACTED]	[REDACTED]%
Mr. Shen Jianfei ⁽⁸⁾	Interest in a controlled corporation	[REDACTED]	[REDACTED]%

Notes:

- (1) All interests are held in long positions.
- (2) Without taking into account any Shares which may be issued upon the exercise of the [REDACTED].
- (3) On April 1, 2021, Mr. Chen and Mr. Qin entered into the Concert Parties Confirmatory Deed, pursuant to which they reaffirmed that they had been acting in concert in respect of each of the members of our Group before the date of the Concert Parties Confirmatory Deed, and shall continue the same thereafter, details of which are set out in the section headed “History, Reorganization and Corporate Structure – Acting in Concert Arrangement” of this document. As such, pursuant to the parties acting in concert arrangement, each of our Controlling Shareholders, i.e. Kimlan Limited, Sky Focus, Mr. Chen, Trade Honour and Mr. Qin, is deemed to be interested in [REDACTED]% of the issued share capital of our Company.
- (4) Kimlan Limited is the holding vehicle used by Maples Trustee Services (Cayman) Limited, the trustee of Joywish Family Trust which is a discretionary trust established by Mr. Chen as the settler, and Mr. Chen and his family members being the beneficiaries. Each of Mr. Chen, Kimlan Limited and Maples Trustee Services (Cayman) Limited is deemed to be interested in [REDACTED] Shares held by Sky Focus, by virtue of the SFO; and (ii) [REDACTED] Shares in which Mr. Chen is deemed to be interested as a result of being a party acting in concert with Mr. Qin.
- (5) Shares in which Mr. Qin is interested consist of (i) [REDACTED] Shares held by Trade Honour, a company wholly owned by Mr. Qin, in which Mr. Qin is deemed to be interested under the SFO; and (ii) [REDACTED] Shares in which Mr. Qin is deemed to be interested as a result of being a party acting in concert with Mr. Chen.

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- (6) Shares in which Ms. Liu Zhilan is interested consist of (i) [REDACTED] Share held by Eminent Futures, a company wholly owned by Ms. Liu Zhilan, in which Ms. Liu Zhilan is deemed to be interested under the SFO; and (ii) [REDACTED] Shares held by Driving Force, a company set up for the purpose of holding certain Share reserved for any future grant of RSUs under the [REDACTED] RSU Scheme, which is wholly-owned by Ms. Liu Zhilan, who is in turn acting as the RSU Trustee. Pursuant to a declaration of trust dated March 21, 2022, Ms. Liu Zhilan (as the RSU Trustee) confirmed that (i) she held the entire shareholding interests of Driving Force for the sole purpose of setting up the [REDACTED] RSU Scheme for the Company; and (ii) she in the capacity as the RSU Trustee will vest the relevant underlying Shares (reserved and held by Driving Force) of the RSUs granted under the [REDACTED] RSU Scheme in accordance with the instruction of the Company for the benefit of the employees of the Company. By virtue of the above, Ms. Liu Zhilan is deemed to be interested in the [REDACTED] Shares held by Driving Force.
- (7) Under the SFO, Mr. Chen Jiafeng is interested in all of the [REDACTED] shares held by Excellent Zone, a company which is wholly-owned by him.
- (8) Under the SFO, Mr. Shen Jianfei is interested in all of the [REDACTED] shares held by Chance High, a company which is wholly-owned by him.

(b) Interests of the Substantial Shareholders

Save as disclosed in the section headed “Substantial Shareholders” in this document, our Directors or chief executive are not aware of any other person, not being a Director or chief executive of our Company, who has an interest or short position in the Shares or the underlying Shares which, once the Shares are [REDACTED], would fall to be disclosed to our Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10.0% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company.

2. Particulars of Service Contracts

Each of Mr. Qin, Ms. Liu Zhilan, Mr. Chen Jiafeng and Mr. Deng Denghui, being our executive Directors, and Mr. Chen and Mr. Shen Jianfei, being our non-executive directors, will enter into a service agreement with our Company with an initial term of three years commencing from the [REDACTED], and will continue thereafter until terminated by not less than three months’ notice in writing served by either party on the other. Each of our independent non-executive Directors will enter into a letter of appointment with our Company. The terms and conditions of each of such letters of appointment are similar in all material respects. Each of our independent non-executive Directors is appointed with an initial term of three years commencing from the [REDACTED] subject to termination in certain circumstances as stipulated in the relevant letters of appointment. Save as the aforesaid, none of our Directors has or is proposed to have a service contract with our Company or any members of our Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

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3. Directors’ Remuneration

The aggregate remuneration (including fees, salaries, contributions to pension schemes, discretionary bonuses, housing and other allowances and other benefits in kind) incurred for FY2019, FY2020 and FY2021 were approximately RMB2.0 million, RMB1.7 million and RMB1.8 million respectively.

Save as disclosed in this document, no other amounts have been paid or are payable by any member of our Group to our Directors for the three years ended December 31, 2021.

Pursuant to the existing arrangements that currently in force as of the date of this document, the amount of remuneration (including benefits in kind but excluding discretionary bonuses) payable to our Directors by our Company for the year ending December 31, 2022 is estimated to be approximately RMB2.0 million in aggregate.

4. Agent fees or commissions received

Save in connection the [REDACTED], none of our Directors nor any of the parties listed in “– E. Other Information – 7. Qualification of Experts” in this Appendix had received any commissions, discounts, agency fees, brokerages or other special terms in connection with the issue or sale of any share or loan capital of our Company or any member of our Group within the two years preceding the date of this document.

5. Disclaimers

Save as disclosed in this document:

- (a) There are no existing or proposed service contracts (excluding contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation) between the Directors and member of our Group);
- (b) none of our Directors nor any of the parties listed in “– E. Other Information – 7. Qualification of Experts” of this Appendix is interested in our promotion, or in any assets which have, within the two years immediately preceding the issue of this document, been acquired or disposed by or leased to our Company or any member of our Group, or are proposed to be acquired or disposed of by or leased to our Company or any member of our Group;

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- (c) none of our Directors or chief executive of our Company has any interests and short position in the shares, underlying shares and debentures of our Company or our associated corporation (within the meaning of Part XV of the SFO) which 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 interests and short positions which he is taken or deemed to have under such provisions of SFO) or which 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 and Listed Companies to be notified to our Company and the Stock Exchange, in each case once our Shares are [REDACTED] on the Stock Exchange;
- (d) so far as is known to any Director or chief executive of our Company, no person has an interest or short position in the Shares and 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 is, directly or indirectly, interested in 10.0% or more of the nominal value of any class of share capital carrying rights to vote in all circumstance at general meetings of any other member of our Group;
- (e) save as disclosed in this document or in connection with the [REDACTED], none of our Directors nor any of the parties listed in “– E. Other Information – 7. Qualification of Experts” of this Appendix is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business in our Group;
- (f) save in connection with the [REDACTED], none of the parties listed in “– E. Other Information – 7. Qualification of Experts” of this Appendix: (i) is interested legally or beneficially in any of our Shares or any shares in any member of our Group; or (ii) has any 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) none of our Directors or their respective associates (as defined under the Listing Rules) or any Shareholders of our Company (who to the knowledge of our Directors owns more than 5.0% of our issued share capital) has any interest in our five largest suppliers or our five largest revenue payment collection channels.

D. SHARE INCENTIVE SCHEMES

1. [REDACTED] RSU Scheme

Summary of the [REDACTED] RSU Scheme

The following is a summary of the principal terms of the [REDACTED] RSU Scheme approved and adopted by our Company on [●], which will become effective subject to (i) the Listing Committee of the Stock Exchange granting the [REDACTED] of, and permission to deal in, the new Shares underlying the awards which may be granted pursuant to this Scheme (the “[REDACTED] Awards”) and (ii) the commencement of [REDACTED] of the Shares on the Main Board of the Stock Exchange. The [REDACTED] RSU Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the [REDACTED] RSU Scheme does not involve the grant of options by our Company to subscribe for new Shares.

(a) *Purpose*

The specific objective of the [REDACTED] RSU Scheme is to reward the RSU Grantees (as defined hereunder) for their services and contribution to the success of the Group, and to provide incentives to them to further contribute to the Group.

(b) *Term of the [REDACTED] RSU Scheme*

Subject to any early termination as may be determined by the Board pursuant to the [REDACTED] RSU Scheme, the Scheme shall be valid and effective for a period of ten years commencing on the date of adoption (the “**Scheme Period**”), after which period no further [REDACTED] Awards shall be granted or accepted, but the provisions of the [REDACTED] RSU Scheme shall remain in full force and effect in order to give effect to the vesting of [REDACTED] Awards granted and accepted prior to the expiration of the Scheme Period.

(c) *Maximum number of [REDACTED] Awards*

Unless otherwise duly approved by the Shareholders, the Shares in aggregate underlying or represented by all [REDACTED] Awards under the [REDACTED] RSU Scheme (whether or not the same are finally allotted and issued) shall not exceed 13,365,371 Shares (representing approximately [REDACTED]% of the Shares in issue immediately after the [REDACTED] and the completion of the [REDACTED], but assuming that the [REDACTED] is not exercised), subject to such adjustments set out under the [REDACTED] RSU Scheme.

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(d) Administration of the Scheme

The [REDACTED] RSU Scheme shall be subject to the administration of the Board in accordance with the rules of the [REDACTED] RSU Scheme. The Board has the power to construe and interpret the rules of the [REDACTED] RSU Scheme and the terms of the [REDACTED] Awards granted hereunder. Any decision of the Board made in accordance with the rules of the [REDACTED] RSU Scheme shall be final, conclusive and binding, provided in each case that such decision is made in accordance with the Articles and any applicable laws.

The Board may delegate the authority to administer the [REDACTED] RSU Scheme to any one or more Directors.

The Board will appoint the RSU Trustee to administer the granting and vesting of [REDACTED] Awards granted to the RSU Grantees pursuant to the [REDACTED] RSU Scheme. Subject to compliance with the laws of the Cayman Islands and the Articles, the Company shall provide such assistance as may be appropriate or necessary to enable the RSU Trustee to satisfy its obligations in connection with the administration and vesting of [REDACTED] Awards granted to the RSU Grantees pursuant to the [REDACTED] RSU Scheme.

(e) Basis of Eligibility for [REDACTED] Awards

Eligible persons of the [REDACTED] RSU Scheme include the following persons eligible to receive [REDACTED] Awards under the [REDACTED] RSU Scheme:

- (i) employees of the Group (including director, chief executive officer, members of senior management, key technical personnel or employees of any member of the Group (the “**Employees**”)); and
- (ii) any other person selected by the Board at its sole discretion from time to time (collectively the “**Eligible Persons**”).

On and subject to the rules of the [REDACTED] RSU Scheme and all applicable laws and other regulations, the Board, may within the Scheme Period, determine any Eligible Persons to participate in the [REDACTED] RSU Scheme. Eligible Persons selected by the Board to be granted [REDACTED] RSUs under the [REDACTED] RSU Scheme at its discretion is regarded as “Selected Persons”. Unless being so selected, no person shall be entitled to participate in the [REDACTED] RSU Scheme. The Board has full and sole discretion to determine, from time to time, the basis of eligibility of any Selected Person for participation in the [REDACTED] RSU Scheme and the grant of [REDACTED] Awards on the basis of their contribution to the development of the Group or any other factors as the Board deems appropriate.

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(f) Appointment of RSU Trustee

Pursuant to a declaration of trust dated March 21, 2022, the RSU Trustee confirmed that (i) she held the entire shareholding interests of Driving Force for the sole purpose of setting up the [REDACTED] RSU Scheme for the Company; and (ii) she in the capacity as the RSU Trustee will vest the relevant underlying Shares (reserved and held by Driving Force) of the [REDACTED] Awards granted under the [REDACTED] RSU Scheme in accordance with the instruction of the Company for the benefit of the employees of the Company. As at the Latest Practicable Date, the RSU Trustee held a total of 47,549 Shares. Immediately following the completion of the [REDACTED] and the [REDACTED], the total number of Shares held by the RSU Trustee will be 13,365,371 Shares (representing approximately [REDACTED]% of the Shares in issue, assuming that the [REDACTED] is not exercised).

(g) Grant of [REDACTED] Awards

Subject to the limitations and conditions of the [REDACTED] RSU Scheme, the Board or the RSU Trustee (upon receipt of the notification from the Board) shall grant an offer of grant of [REDACTED] Awards to any selected person by way of a letter (the “**Grant Letter**”) on such terms and conditions as the Board may determine.

To the extent that the offer of grant of a [REDACTED] Award is not accepted by the Selected Person within the time period or in a manner prescribed in the Grant Letter, it shall be deemed that such offer has been irrevocably declined and thus the grant has immediately lapsed.

(h) Restrictions on [REDACTED] Awards

The Board shall not grant any [REDACTED] Award to any Selected Person in any of the following circumstances:

- (a) the requisite approvals for such grant from any applicable regulatory authorities or governmental or public bodies have not been obtained;
- (b) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of [REDACTED] Award(s) or in respect of the [REDACTED] RSU Scheme, unless the Board determines otherwise;
- (c) the grant would result in a breach by the Group or any of its directors or senior management of any applicable laws, regulations or rules;

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- (d) where our Company has information that must be disclosed under Rule 13.09 of the Listing Rules or where the Company reasonably believes there is inside information which must be disclosed under Part XIVA of the SFO (as may be amended from time to time), until such price sensitive/ inside information has been published on the websites of the Stock Exchange and the Company;
- (e) 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 (and including) the publication date of the results; and (ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to (and including) the publication date of the results; or
- (f) the grant would result in breach of the limit of the [REDACTED] RSU Scheme or other rules of the [REDACTED] RSU Scheme.

(i) Acceptance of [REDACTED] Awards

A Selected Person may accept an offer of the grant of [REDACTED] Awards in such manner as set out in the Grant Letter or as otherwise determined by the Board. Once accepted, the [REDACTED] Awards are granted to the Selected Person, who becomes a grantee in the [REDACTED] RSU Scheme (the "RSU Grantee") immediately.

(j) Lapse of [REDACTED] Awards

Without prejudice to other rules under the [REDACTED] RSU Scheme, an unvested [REDACTED] Award will automatically lapse immediately on the date on which:

- (i) the RSU Grantee (being an Employee or Director of any member of the Group) ceases to be an employee, an officer or a director by reason of the termination of his employment, appointment or directorship on the grounds that he has been guilty of serious misconduct or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment summarily; provided that whether any of the events specified aforesaid has occurred in relation to a RSU Grantee shall be solely and conclusively determined by the Board;
- (ii) the RSU Grantee (being an Employee) serves as an employee, director or officer of any other companies that are not a member of the Group, and/or, whether alone or jointly with others, carried on or be concerned or interested, directly or indirectly, whether as shareholder, employee, director, investor, consultant, adviser, partner or agent in any types of business which are in competition with or in opposition to any business of any member of the Group provided that whether any of the matters specified aforesaid has occurred in relation to a RSU Grantee shall be solely and conclusively determined by the Board;

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- (iii) unless the Board otherwise determines, and other than in the circumstances of determination of employment or service of a RSU Grantee on account of incapacitation or death, the date the RSU Grantee ceases to be an Eligible Person as determined by the Board for any reason;
- (iv) the RSU Grantee makes any attempt or takes any action to sell, transfer, assign, charge, mortgage, encumber, hedge or create any interest in favor of any other person over or in relation to any RSU(s) underlying the granted [REDACTED] Awards or any interests or benefits in relation to the [REDACTED] Awards provided that whether any of the matters specified aforesaid has occurred in relation to a RSU Grantee shall be solely and conclusively determined by the Board; and
- (v) subject to the terms and conditions set out under the [REDACTED] RSU Scheme, the Company commences winding-up.

(k) Rights attached to [REDACTED] Awards and Shares and cash payment

A RSU Grantee does not have any contingent interest in any Shares or cash payment in respect of any Shares pursuant to the [REDACTED] RSU Scheme) underlying the [REDACTED] Awards unless and until these Shares are actually transferred to the RSU Grantee from the RSU Trustee or the cash payment is made by the RSU Trustee to the RSU Grantee. Furthermore, a RSU Grantee may not exercise any voting right in respect of the Shares underlying [REDACTED] Awards and, unless otherwise specified by the Board in its sole discretion in the Grant Letter to the RSU Grantee, nor do they have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying the [REDACTED] Awards or any interest in respect of cash payment for the Shares which may be paid to the RSU Grantee pursuant to the [REDACTED] RSU Scheme.

Any Shares transferred to a RSU Grantee in respect of any [REDACTED] Awards shall be subject to the provisions of the Articles and will rank pari passu with other fully paid Shares in issue on the date of the register of members of the Company is updated in respect of the transfer (or allotment and issue) of the vested Shares, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of the register of members of the Company is updated.

(l) Awards to be personal to RSU Grantees

[REDACTED] Awards granted pursuant to the [REDACTED] RSU Scheme shall be personal to each RSU Grantee and shall not be assignable or transferrable, except for (i) the transmission of a [REDACTED] Award on the death of the RSU Grantee to his personal representatives(s) according to the terms of the [REDACTED] RSU Scheme, or (ii) the transfer of any [REDACTED] Award to any trustee, acting in its capacity as such trustee, of any trust of which the RSU Grantee is a beneficiary. Subject to the above, the

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RSU Grantees are prohibited from selling, transferring, assigning, charging, mortgaging, encumbering, hedging or creating any interest in favor of any other person over or in relation to any property held by the RSU Trustee on trust for the RSU Grantees, [REDACTED] Awards or any interest or benefits therein.

(m) Vesting

The Board has the sole discretion to determine the vesting schedule and vesting criteria (if any) for any grant of the [REDACTED] Award(s) to any RSU Grantee, which may also be adjusted and re-determined by the Board from time to time. The RSU Trustee shall administer the vesting of the [REDACTED] Awards granted to each RSU Grantee pursuant to the vesting schedule and vesting criteria (if any) determined by the Board.

Upon fulfillment or waive of the vesting schedule and vesting criteria (if any) applicable to each of the RSU Grantees, a vesting notice (the "**Vesting Notice**") will be sent to the RSU Grantee by the Board, or by the RSU Trustee under the authorization and instruction by the Board confirming (a) the extent to which the vesting schedule and vesting criteria (if any) have been fulfilled or waived, and (b) the number of Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of these Shares) or the amount of cash the RSU Grantee will receive. The RSU Grantee is required to execute, after receiving the Vesting Notice, certain documents set out in the Vesting Notice that the Board considers necessary (which may include, without limitation, a certification to the Company that he or she has complied with all the terms and conditions set out in the [REDACTED] RSU Scheme and the Grant Letter).

Subject to the execution of documents by the RSU Grantee set out above, the Board may decide at its sole discretion to (i) direct and procure the RSU Trustee to transfer the Shares underlying the [REDACTED] Awards (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of these Shares) to the RSU Grantee or its wholly-owned entity; or (ii) pay, or direct and procure the RSU Trustee to pay, to the RSU Grantee in cash an amount which is equivalent to the value of the Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of these Shares) set out in (i) above. Unless otherwise determined by the Board, in the event that the RSU Grantee fails to execute the required documents within seven (7) days after receiving the Vesting Notice, the vested [REDACTED] Award(s) will immediately lapse.

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(n) Acceleration of vesting

The Board has the sole discretion to determine, at any time, to accelerate the vesting of any [REDACTED] Award granted to any grantee for various considerations as set out below.

(i) Rights on a takeover

In the event a general offer by way of takeover, merger or otherwise in a like manner (other than by way of scheme of arrangement set out as below) is made to all the shareholders of our Company (or shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and the general offer to acquire the Shares is approved and the offer becomes or is declared unconditional in all respects prior to the vesting, the [REDACTED] Award(s) of the grantee will vest immediately to the extent specified in a notice given by the Company.

(ii) Rights on a scheme of arrangement

In the event a general offer for Shares by way of scheme of arrangement is made by any person to all the shareholders of the Company and has been approved by the necessary number of shareholders at the requisite meetings prior to the vesting, the [REDACTED] Awards of the grantee will vest immediately to the extent specified in a notice given by the Company.

(iii) Rights on a compromise or arrangement

If a compromise or arrangement between the Company and its shareholders or creditors is proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and a notice is given by the Company to its shareholders to convene a general meeting to consider and if thought fit approve such compromise or arrangement prior to the vesting, the [REDACTED] Awards of the grantee will vest immediately to the extent specified in a notice given by the Company.

(iv) Rights on a voluntary winding-up

In the event that an effective resolution is passed during Scheme Period for voluntarily winding-up of the Company (other than for the purposes of a reconstruction, amalgamation or scheme of arrangement as set out above), prior to the vesting, the [REDACTED] Awards of the grantee will vest immediately to the extent specified in a notice given by the Company provided that all unexercised [REDACTED] Awards must be exercised and effected by no later than one Business Day before the day of the proposed general meeting to be convened for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company (or to pass written resolutions of the shareholders to the same effect).

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(o) Cancellation of [REDACTED] Awards

Our Board may at its sole discretion cancel any [REDACTED] Award that has not vested or lapsed, provided that:

- (i) the Company or its appointees pay to the RSU Grantee an amount equal to the fair value of the [REDACTED] Award at the date of the cancellation as determined by the Board, after consultation with an independent financial adviser appointed by the Board;
- (ii) the Company or its appointees provides to the RSU Grantee a replacement [REDACTED] Award of equivalent value to the [REDACTED] Award to be cancelled; or
- (iii) the Board makes any arrangement as the RSU Grantee may agree in order to compensate him for the cancellation of the [REDACTED] Award.

(p) Reorganisation of Capital Structure

In the event of an alteration in the capital structure of our Company whilst any [REDACTED] Award has not vested by way of capitalisation of profits or reserves, bonus issue, rights issue, open offer, subdivision or consolidation of shares, reduction of the share capital of our Company or otherwise howsoever in accordance with legal requirements and requirements of any stock exchange (other than an issue of Shares as consideration in respect of a transaction to which our Company or any of its subsidiary is a party or in connection with any share option, restricted share or other equity incentive schemes of our Group or in the event of any distribution of the Company's capital assets to its shareholders on a pro rata basis (whether in cash or in specie) (other than dividends paid out of the net profits attributable to its shareholders for each financial year of our Company), such corresponding alterations (if any) shall be made to the number or nominal amount of Shares subject to the [REDACTED] Award so far as unvested as the auditors or an independent financial adviser appointed by our Company shall certify in writing, either generally or as regard any particular Grantee, to have in their opinion, fairly and reasonably satisfied the requirement that such adjustments give a grantee the same proportion (or rights in respect of the same proportion) of the share capital of our Company as that to which that grantee was previously entitled.

(q) Alteration or Amendment of the [REDACTED] RSU Scheme

The terms of the [REDACTED] RSU Scheme may be altered, amended or waived in any respect by the Board provided that such alteration, amendment or waiver shall not affect any subsisting rights of any grantee thereunder. Any alternation, amendment or waiver to the [REDACTED] RSU Scheme of a material nature shall be approved by the shareholders of the Company. The Board shall have the right to determine whether any proposed alteration, amendment or waiver is material and such determination shall be conclusive.

(r) Termination of the [REDACTED] RSU Scheme

The [REDACTED] RSU Scheme may be terminated at any time prior to the expiry of the Scheme Period by the Board provided that such termination shall not affect any subsisting rights of any RSU Grantee thereunder. For the avoidance of doubt, no further [REDACTED] Awards shall be granted after the [REDACTED] RSU Scheme is terminated but in all other respects the provisions of the [REDACTED] RSU Scheme shall remain in full force and effect. No further [REDACTED] Award shall be granted after such termination; however, all [REDACTED] Awards granted prior to such termination and not vested on the date of termination shall remain valid. In such event, the Board shall notify the RSU Trustee and all RSU Grantees of such termination and how the Shares held by the RSU Trustee on trust and other interests or benefits in relation to the outstanding [REDACTED] Awards shall be dealt with.

2. [REDACTED] Share Option Scheme

The following is a summary of the principal terms of the [REDACTED] Share Option Scheme conditionally adopted pursuant to the written resolutions of our Shareholders and Directors passed on [●]:

1. Purpose of the [REDACTED] Share Option Scheme

The purpose of the [REDACTED] Share Option Scheme is to provide an incentive or reward for the Grantees (as defined below) for their contribution or potential contribution to our Group.

2. Participants of the [REDACTED] Share Option Scheme and the basis of determining the eligibility of the participants

Our Board of our Company may, subject to and in accordance with the provisions of the [REDACTED] Share Option Scheme and the Listing Rules, at its discretion grant options to any full-time or part-time employees, consultants or potential employees, consultants, executives or officers (including Directors) of our Company or any of its subsidiaries, and any suppliers, customers, consultants, agents and advisors who, in the sole opinion of our Board has contributed or will contribute to our Group (collectively, the “**Eligible Participants**”) and whom our Board may in its absolute discretion select and subject to such conditions as it may think fit.

3. *Status of the [REDACTED] Share Option Scheme*

(a) *Conditions of the [REDACTED] Share Option Scheme*

The [REDACTED] Share Option Scheme shall take effect conditional upon and is subject to:

- (i) the passing of the necessary resolutions by our Board and our Shareholders to approve and adopt the rules of the [REDACTED] Share Option Scheme;
- (ii) the Listing Committee granting the [REDACTED] of, and permission to deal in, our Shares to be issued pursuant to the exercise of options under the [REDACTED] Share Option Scheme;
- (iii) the obligations of the [REDACTED] (under the [REDACTED]) becoming unconditional (including, if relevant, following the waiver(s) of any conditions by the Sole Sponsor, acting for and on behalf of the [REDACTED]) and not being terminated in accordance with their terms or otherwise; and
- (iv) the commencement of [REDACTED] in our Shares on the Stock Exchange, (the “Conditions”).

(b) *Life of the [REDACTED] Share Option Scheme*

The [REDACTED] Share Option Scheme shall be valid and effective for a period commencing on the date on which the [REDACTED] Share Option Scheme was conditionally adopted by an ordinary resolution of our Shareholders and ending on the tenth anniversary of the [REDACTED] (both dates inclusive) (the “**Scheme Period**”), after which time no further option will be granted, but the provisions of the [REDACTED] Share Option Scheme shall remain in full force and effect in all other respects to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the [REDACTED] Share Option Scheme and options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the [REDACTED] Share Option Scheme.

4. Grant of options

(a) Making of offer

An offer shall be made to an Eligible Participant by an offer document in such form as our Board may from time to time determine (the “**Offer Document**”), requiring the participant to undertake to hold the option on the terms on which it is to be granted and to be bound by the provisions of the [REDACTED] Share Option Scheme.

(b) Acceptance of offer

An option shall be deemed to have been granted to (subject to certain restrictions in the [REDACTED] Share Option Scheme), and accepted by, the Eligible Participant (the “**Grantee**”) and to have taken effect upon the issue of an option certificate after the duplicate Offer Document comprising acceptance of the option duly signed by the Grantee, together with a remittance in favor of our Company of HK\$1.00 by way of consideration for the grant of the option is received by our Company on or before the last day for acceptance set out in the Offer Document. The remittance is not in any circumstances refundable and shall be deemed as part payment of the Exercise Price (as defined below). Once accepted, the option is granted as from the date on which it was offered to the Grantee (the “**Offer Date**”).

(c) Restrictions on time of grant

- (i) No grant of options shall be made after any inside information has come to the knowledge of our Company until such inside information has been announced pursuant to the requirements of the Listing Rules. In particular, no option shall be granted during the period of one month immediately preceding the earlier of:
 - (1) the date of our Board meeting as shall have been notified to the Stock Exchange for the approval of our Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (2) the deadline for our Company to publish an announcement of its results for any year or half-year under the Listing Rules or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the actual date of the results announcement for such year, half year, quarterly or interim period (as the case may be). The period during which no option may be granted will cover any period of delay in the publication of a results announcement.

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- (ii) For so long as the shares are [REDACTED] on the Stock Exchange, no options may be granted to a Director on any day which financial results of our Company are published and:
 - (1) 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
 - (2) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) 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.

(d) Grant to connected persons

Any grant of options to a connected person must be approved by all independent non-executive Directors (excluding any independent non-executive Director who is also a proposed Grantee (as defined below) of the options, the vote of such independent non-executive Director shall not be counted for the purposes of approving the grant).

(e) Grant to substantial shareholders and independent non-executive directors

Without prejudice to sub-paragraph 4(c) above, any grant of options to a substantial shareholder or an independent non-executive Director of our Company or any of their respective associates shall be subject to, in addition to the approval of our independent non-executive Directors in sub-paragraph (d) above, the issue of a circular by our Company to its Shareholders and the approval of our Shareholders in general meeting if our Shares issued and to be issued upon exercise of all options already granted and proposed to be granted to him (whether exercised, canceled or outstanding) under the [REDACTED] Share Option Scheme or any other scheme in the twelve (12) month period up to and including the Offer Date:

- (i) would represent in aggregate more than 0.1%, or such other percentage as may from time to time be provided under the Listing Rules, of our Shares in issue on the Offer Date; and
- (ii) would have an aggregate value, based on the official closing [REDACTED] of our Shares as stated in the daily quotation sheets of the Stock Exchange on the Offer Date, in excess of HK\$5,000,000 (or such other amount as shall be permissible under the Listing Rules from time to time).

(f) *Proceedings in general meeting to approve the grant of option*

At the general meeting to approve the proposed grant of options under sub-paragraph 4(e) above, the Grantee, his associates and all core connected persons of our Company must abstain from voting. At such general meeting, the vote to approve the grant of such options must be taken on a poll in accordance with the Articles and the relevant provisions of the Listing Rules.

(g) *Performance target*

Our Board has the discretion to require a particular Grantee to achieve certain performance targets specified at the time of grant before any option granted under the [REDACTED] Share Option Scheme can be exercised. There is no specific performance targets stipulated under the terms of the [REDACTED] Share Option Scheme and our Board currently has no intention to set any specific performance targets on the exercise of any options granted or to be granted under the [REDACTED] Share Option Scheme.

5. *Exercise price*

The price per Share at which a Grantee may subscribe for Shares upon exercise of an option (the "**Exercise Price**") shall, subject to any adjustment pursuant to paragraph 7 below, be determined by our Board in its sole discretion but in any event shall be at least the highest of:

- (i) the official closing [REDACTED] of our Shares as stated in the Stock Exchange's daily quotations sheets on the Offer Date;
- (ii) the average of the official closing [REDACTED] of our Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date; and
- (iii) the nominal value of a Share; provided that for the purpose of determining the Exercise Price under sub-paragraph 5(ii) above where our Shares have been [REDACTED] on the Stock Exchange for less than five Business Days preceding the Offer Date, the issue price of our Shares in connection with such [REDACTED] shall be deemed to be the closing price of our Shares for each Business Day falling within the period before the [REDACTED] of our Shares on the Stock Exchange.

6. *Maximum number of Shares available for subscription*

(a) *Scheme limit*

Subject to sub-paragraphs 6(b) and 6(c) below, the maximum number of Shares in respect of which options may be granted under the [REDACTED] Share Option Scheme and any other [REDACTED] Share Option Schemes of our Company shall not in aggregate exceed the number of Shares that shall represent 10% of the total number of Shares in issue immediately upon completion of the [REDACTED] and the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account Shares that may be allotted and issued pursuant to the [REDACTED] RSU Scheme and the [REDACTED] Share Option Scheme) (the “Scheme Limit”) which is expected to be [REDACTED] Shares. For the purpose of calculating the Scheme Limit, options which have lapsed in accordance with the terms of the relevant scheme shall not be counted.

(b) *Renewal of scheme limit*

Our Company may seek approval by our Shareholders in general meeting for renewing the Scheme Limit provided that the total number of Shares in respect of which options may be granted under the [REDACTED] Share Option Scheme and any other schemes of our Company under the Scheme Limit as renewed from time to time must not exceed 10% of the total number of Shares in issue as at the date of our Shareholders’ approval. Options previously granted under the [REDACTED] Share Option Scheme, whether outstanding, canceled, lapsed in accordance with its applicable rules or already exercised, will not be counted for the purpose of calculating the limit as renewed.

For the purpose of seeking the approval of our Shareholders under this sub-paragraph 6(b), a circular containing the information required under Rule 17.02(2) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules must be sent to our Shareholders.

(c) *Grant of options beyond scheme limit*

Our Company may seek separate approval by our Shareholders in general meeting for granting options beyond the Scheme Limit provided that the options in excess of the Scheme Limit are granted only to Eligible Participants who are specifically identified by our Board before such approval is sought.

For the purpose of seeking the approval of our Shareholders under this sub-paragraph (6)(c), our Company must send a circular to our Shareholders containing a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose

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of granting such options to the Grantees with an explanation as to how the terms of options serve such purpose and the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer as required under Rule 17.02(4) of the Listing Rules.

(d) Maximum number of Shares issued pursuant to the [REDACTED] Share Option Scheme

Notwithstanding anything to the contrary in the [REDACTED] Share Option Scheme, the maximum limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the [REDACTED] Share Option Scheme and any other schemes of our Company must not in aggregate exceed such number of Shares as shall represent 30% of our Shares in issue from time to time. No options may be granted under any schemes of our Company or subsidiaries if such grant will result in this 30% limit being exceeded.

(e) Grantee's maximum holding

Unless approved by our Shareholders in general meeting in the manner prescribed in the Listing Rules, our Board shall not grant options to any Grantee if the acceptance of those options would result in the total number of Shares issued and to be issued to that Grantee on exercise of his options during any twelve (12) month period up to the Offer Date exceed 1% of the total Shares then in issue.

Where any further grant of options to a Grantee, if exercised in full, would result in the total number of Shares already issued or to be issued upon exercise of all options granted and to be granted to such Grantee (including exercised, canceled and outstanding options) in any twelve (12) month period up to and including the date of such further grant exceed 1% of the total number of Shares in issue, such further grant must be separately approved by our Shareholders in general meeting with such Grantee and his close associates (or associates if the Grantee is a connected person) abstaining from voting. Our Company must send a circular to our Shareholders and the circular must disclose the identity of the Grantee, the number and terms of the options to be granted and options previously granted to such Grantee and the information required under Rule 17.02(2) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules. The number and terms (including the Exercise Price) of the options to be granted to such Grantee must be fixed before our Shareholders' approval. The date of the meeting of our Board for proposing such further grant of option should be taken as the date of grant for the purpose of calculating the Exercise Price.

(f) Adjustment

The number of Shares subject to the [REDACTED] Share Option Scheme shall be adjusted in such manner as our Company's independent financial advisor shall certify to our Board to be appropriate, fair and reasonable in accordance with paragraph 7 below but in any event shall not result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the [REDACTED] Share Option Scheme and the other schemes exceed the limit set out in sub-paragraph 6(d).

7. Capital restructuring

(a) Adjustment of options

In the event of any capitalization issue, rights issue, open offer (if there is a price dilutive element), sub-division or consolidation of Shares, or reduction of capital of our Company in accordance with applicable laws and regulatory requirements, such corresponding alterations (if any) shall be made (except on an issue of securities of our Company as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment) in:

- (i) the number of Shares subject to any outstanding option;
- (ii) the Exercise Price; and/or
- (iii) the number of Shares subject to the [REDACTED] Share Option Scheme;

as the approved independent financial advisor shall at the request of our Company or any Grantee, certify in writing either generally or as regards any particular Grantee, to be in their opinion fair and reasonable provided that any such alterations shall be made on the basis that a Grantee shall have as near as possible the same proportion of the equity capital of our Company (as interpreted in accordance with the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all the issuers relating to [REDACTED] Share Option Scheme) as that to which the Grantee was previously entitled to subscribe had he exercised all the options held by him immediately before such adjustments and the aggregate Exercise Price payable by a Grantee on the full exercise of any option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event, but not so that the effect would be to enable any Share to be issued to a Grantee at less than its nominal value, provided that no adjustment to the Exercise Price and number of Shares should be made to the advantage of the Eligible Participants without specific prior approval of our Shareholders.

(b) Independent financial advisor confirmation

On any capital reorganization, independent financial advisor shall certify in writing to our Board that the adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to [REDACTED] Share Option Schemes and/or such other requirement prescribed under the Listing Rules from time to time.

8. *Cancellation of options*

Any cancellation of options granted but not exercised must be approved in writing by the Grantees of the relevant options. For the avoidance of doubt, such approval is not required in the event any option is canceled pursuant to paragraph 9. Where our Company cancels options, the grant of new options to the same Grantee may only be made under the [REDACTED] Share Option Scheme within the limits set out in sub-paragraphs 6(a), 6(b), and 6(e).

9. *Assignment of options*

An option is personal to the Grantee and shall not be transferable or assignable. No Grantee shall sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option held by him or attempt to do so (except that the Grantee may nominate a nominee, in whose name our Shares issued pursuant to the [REDACTED] Share Option Scheme may be registered).

10. *Rights attached to the Shares*

Shares to be allotted upon exercise of an option will be subject to all the provisions of the Articles and will rank *pari passu* with the fully paid Shares in issue on the date of issue. Accordingly, such Shares will entitle the holders to have the same voting, dividend, transfer and other rights, and to participate in all dividends or other distributions paid or made on or after the date on which the allottee is registered as a member (the "**Registration Date**") other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to a record date which is before the Registration Date.

A Share issued upon the exercise of an option shall not carry any voting rights until completion of registration of the Grantee or his nominee as the holder of such Share on the register of members of our Company. Shares issued on the exercise of an option shall not rank for any rights attaching to Shares by reference to a record date preceding the date of allotment.

11. Exercise of options

Unless otherwise provided in the respective Grantee's Offer Document, an option may be exercised by a Grantee at any time or times during the period notified by our Board during which the Grantee may exercise his option(s) (the "**Option Period**") provided that:

- (a) in the event of the Grantee ceasing to be an Eligible Participant for any reason other than his death, ill-health, injury, disability or the termination of his relationship with our Company and/or any of its subsidiaries on one or more of the grounds specified in sub-paragraph 12(v) below, the Grantee may exercise the option up to his entitlement at the date of cessation of being an Eligible Participant (to the extent not already exercised) within the period of thirty (30) days (or such longer period as our Board may determine) following the date of such cessation (which date shall be, in relation to a Grantee who is an Eligible Participant by reason of his employment with our Company or any of its subsidiaries, the last actual working day with our Company or the relevant subsidiary whether salary is paid in lieu of notice or not);
- (b) in the case of a Grantee ceasing to be an Eligible Participant by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of our Board) and none of the events which would be a ground for termination of his relationship with our Company and/or any of its subsidiaries under sub-paragraph 12(e) has occurred, the Grantee or the personal representative(s) of the Grantee shall be entitled within a period of 12 months (or such longer period as our Board may determine) from the date of cessation of being an Eligible Participant or death to exercise his option in full (to the extent not already exercised);
- (c) if a general offer (whether by way of take-over offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror), our Company shall use its best endeavors to procure that such offer is extended to all the Grantees (on the same terms *mutatis mutandis*, and assuming that they shall become, by the exercise in full of the options granted to them as Shareholders). If such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes, or is declared unconditional, the Grantee (or his legal personal representative(s)) shall be entitled to exercise his option in full (to the extent not already exercised) at any time within fourteen (14) days after the date on which such general offer becomes or is declared unconditional;

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- (d) if a compromise or arrangement between our Company and our Shareholders and/or creditors is proposed for the purposes of or 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 (together with a notice of the existence of the provisions of this paragraph) on the same day as it despatches to Shareholders and/or creditors of our Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each Grantee shall be entitled to exercise all or any of his options in whole or in part at any time prior to noon (Hong Kong time) on the Business Day immediately preceding the date of the general meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there is more than one meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, 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. Our Board shall endeavor to procure that our Shares issued as a result of the exercise of options in such circumstances 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 relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court), the rights of the Grantees to exercise their respective options shall with effect from the date of the making of the order by the relevant court be restored in full 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 the aforesaid suspension; and
- (e) in the event a notice is given by our Company to its shareholders 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 Company give notice thereof to all Grantees and thereupon, each Grantee (or in the case of the death of the Grantee, his personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already lapsed or exercised) 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 Exercise 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 and issue the relevant Shares to the Grantee credited as fully paid.

12. Lapse of options

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the expiry of the Option Period;
- (ii) the expiry of the periods referred to in sub-paragraphs 11(b) to (e) above;
- (iii) the date of the commencement of the winding-up of our Company in respect of the situation contemplated in sub-paragraph 11(e);
- (iv) the date the scheme or compromise referred to in sub-paragraph 11(d) above becomes effective;
- (v) the date on which the Grantee ceases to be an Eligible Participant by reason of his resignation or dismissal, or by reason of the termination of his relationship with our Company and/or any of its subsidiaries on any one or more of the grounds that he has been guilty of serious misconduct or has been convicted of any criminal offense involving his integrity or honesty or in relation to an employee or consultant of our Company and/or any of its subsidiaries (if so determined by our Board) on any other ground on which an employer would be entitled to unilaterally terminate his employment or service at common law or pursuant to any applicable laws or under the Grantee's service contract with our Company or the relevant subsidiary. A resolution of our Board or the board of directors of the relevant subsidiary to the effect that the relationship of the Grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive;
- (vi) the date that is thirty (30) days after the date on which a Grantee is terminated by our Company and/or any of its subsidiaries by reasons other than termination of employment on grounds under sub-paragraph 12(v);
- (vii) the date on which a Grantee commits a breach of paragraph 9 above or the options are canceled in accordance with paragraph 8 above; or
- (viii) the occurrence of such event or expiry of such period as may have been specifically provided for in the Offer Document, if any.

13. Alteration of the [REDACTED] Share Option Scheme

The terms and conditions of the [REDACTED] Share Option Scheme and the regulations for the administration and operation of the [REDACTED] Share Option Scheme may be altered in any respect by resolution of our Board except that:

- (a) any alteration to the advantage of the Grantees or the Eligible Participants (as the case may be), in respect of matters contained in Rule 17.03 of the Listing Rules, including without limitation, the definitions of “**Eligible Participant**,” “**Expiry Date**,” “**Grantee**” and “**Option Period**” contained in the [REDACTED] Share Option Scheme; or
- (b) any material alteration to the terms and conditions of the [REDACTED] Share Option Scheme or any change to the terms of options granted (except any alterations which take effect automatically under the terms of the [REDACTED] Share Option Scheme), or any change to the authority of our Board in respect of alternation of the [REDACTED] Share Option Scheme, must be made with the prior approval of our Shareholders in general meeting at which any persons to whom or for whose benefit our Shares may be issued under the [REDACTED] Share Option Scheme and their respective associates shall abstain from voting provided that no alteration shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alteration or to reduce the proportion of the equity capital to which any person was entitled pursuant to such option prior to such alteration except with:
 - (i) the consent in writing of the Grantees holding in aggregate options which if exercised in full on the date immediately preceding that on which such consent is obtained would entitle them to the issue of three-fourths in nominal value of all Shares which would fall to be issued upon the exercise of all options outstanding on that date; or
 - (ii) the sanction of a special resolution.

Written notice of any alterations made in accordance with this paragraph shall be given to all Grantees.

14. Termination

We may by ordinary resolution in general meeting or our Board at any time terminate the operation of the [REDACTED] Share Option Scheme and in such event no further option shall be offered or granted. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the [REDACTED] Share Option Scheme.

As of the Latest Practicable Date, no option has been granted by our Company under the [REDACTED] Share Option Scheme.

E. OTHER INFORMATION

1. Estate duty, tax and other indemnities

Our Controlling Shareholders have entered into the Deed of Indemnity with and in favor of the Company (for itself and as trustee for each of its subsidiaries) to provide indemnities on a joint and several basis in respect of, among other things,

- (i) any liability for estate duty under the Estate Duty Ordinance, Chapter 111 of the Laws of Hong Kong, or legislation similar thereto in Hong Kong or any jurisdictions outside Hong Kong which might be incurred by any member of the Group on or before the [REDACTED], and other taxation (including all fines, penalties, costs, charges, expenses and interests relating to taxation) which may be made against any member of the Group in respect of, among other things, any income, profits or gains earned, accrued or received on or before the [REDACTED], save:
 - (a) to the extent that specific provision or reserve has been made for such taxation in the audited consolidated financial statements of the Group as set out in Appendix I to this document (the “Accounts”);
 - (b) to the extent that the liability for such taxation would not have arisen but for any act or omission of, or delay by, any member of the Group after the [REDACTED]; and
 - (c) to the extent such loss arises or is incurred only as a result of a retrospective change in law or regulations or the interpretation or practice thereof by any relevant authority coming into force after the [REDACTED].
- (ii) the fines, penalties, claims, costs, expenses and losses (to the extent that provision, reserve or allowance has not been made for such fines, penalties, claims, costs, expenses or losses in the Accounts) incurred by any member of the Group after the [REDACTED] resulting from any non-compliance incidents of any member of the Group with applicable law and regulations on or before the [REDACTED].

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2. Litigation

Save as disclosed in the section headed “Business – Legal and Administrative Proceedings” of this document, as of the Latest Practicable Date, we were not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against us, that would have a material adverse effect on our results of operations or financial conditions.

3. Joint Sponsors

The Joint Sponsors have made an application on our behalf of our Company to the Listing Committee for the [REDACTED] of, and the permission to deal in, the Shares in issue and to be issued or sold as mentioned in this document (including the Shares which may be issued pursuant to the exercise of the [REDACTED]). All necessary arrangements have been made for the Shares to be admitted into CCASS.

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

The fees payable to the Joint Sponsors in respect of their services as sponsors for the [REDACTED] are US\$880,000 and are payable by us.

4. Preliminary Expenses

Save as disclosed in the section headed “Financial Information – [REDACTED] Incurred and to Be Incurred”, we have not incurred any material preliminary expenses.

5. Bilingual Documents

The English language and Chinese language versions of this document are being published separately, in reliance upon 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).

6. Binding Effect

This document shall have effect, if an application is made pursuant to it, 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.

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7. Qualification of Experts

The following are the qualifications of experts (as defined under the Listing Rules and the Companies Ordinance) who gave opinions or advice which are contained in this document:

<u>Name</u>	<u>Qualifications</u>
China Securities (International) Corporate Finance Company Limited	A licensed corporation to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Macquarie Capital Limited	A licensed corporation to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) regulated activities under the SFO
Ernst & Young	Certified Public Accountants Registered Public Interest Entity Auditor
Jingtian & Gongcheng	PRC Legal Advisor
Conyers Dill & Pearman	Cayman Islands attorneys-at-law
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Industry consultant
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Property Valuer

8. Consent of Experts

Each of the experts as referred to in the section headed “– F. Other Information – 7. Qualification of Experts” in this Appendix has given and has not withdrawn their respective written consents to the issue of this document with the inclusion of their reports and/or letters and/or legal opinion (as the case may be) and references to their names included in the form and context in which it respectively appears.

None of experts named above has any shareholders’ interests in our Company or any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for interests in our Company or any member of our Group.

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9. Promoters

Our Company has no promoter.

10. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since December 31, 2021 (being the date to which the latest audited consolidated financial statements of our Group were prepared).

11. Miscellaneous

(a) Save as disclosed in this document, within the two years immediately preceding the date of this document:

- (i) neither our Company, nor any member of our Group has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash;
- (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- (iii) no commissions, discounts, brokerage or other special terms have been granted in connection with the issue or sale of any shares or loan capital of any member of the Group;
- (iv) no commission has been paid or payable (except commission to sub-[REDACTED]) to any persons for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any shares of our Company or any of our subsidiaries;
- (v) no founder, management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued; and
- (vi) there is no arrangement under which future dividends are waived or agreed to be waived.

(b) Our Directors confirm that:

- (i) since December 31, 2021 (being the date on which the latest audited consolidated financial statements of the Group were made up), there has been no material adverse change in our financial or trading position or prospects;

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- (ii) there has not been any interruption in the business of our Company which may have or have had a material adverse effect on the financial position of our Company in the 12 months immediately preceding the date of this document;
 - (iii) our Company has no outstanding convertible debt securities or debentures; and
 - (iv) the principal register of members of our Company will be maintained in the Cayman Islands by [REDACTED] and a branch register of members of our Company will be maintained in Hong Kong by [REDACTED]. Unless our Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Company's share register 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 to CCASS.
- (c) No company within our Group is presently [REDACTED] on any stock exchange or traded on any trading system.