

**A. FURTHER INFORMATION ABOUT OUR COMPANY****1. Incorporation**

Our Company was incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on 2 September 2020. Our Company has established a principal place of business in Hong Kong at Unit 80, 7/F, Woon Lee Commercial Building, 7-9 Austin Avenue, Tsim Sha Tsui, Hong Kong and was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on 13 April 2022. Our Company has appointed Mr. Ho Wai Hon, Brian and Mr. Wong Ho Kwan as its authorised representatives for the acceptance of service of process and notices in Hong Kong.

As our Company is incorporated in the Cayman Islands, it is subject to the Companies Act and its constitution documents comprising the Memorandum of Association and the Articles of Association. A summary of various parts of the constitution documents and relevant aspects of the company law of the Cayman Islands is set out in Appendix IV to this listing document.

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

Our Company was incorporated in the Cayman Islands under the Companies Act as an exempted company with limited liability on 2 September 2020 with an authorised share capital of HK\$380,000 divided into 3,800,000 Shares of HK\$0.1 each, of which one Share was allotted and issued fully paid to the initial subscriber at par. On the same date, the one Share held by the initial subscriber was transferred to Karrie International at the consideration of HK\$0.1.

On 8 March 2022, Karrie International declared a conditional special interim dividend satisfied by way of a distribution in specie of its entire shareholding in Benefit Master to our Company as per the instruction of Karrie International. In consideration of Karrie International directing Karrie International BVI to distribute in specie of its entire shareholding in Benefit Master to our Company, our Company issued one Share to Karrie International.

On 8 March 2022, in consideration of one consideration Share issued and allotted by our Company to Karrie International, the amount due from our Group to the Remaining Group in the amount of RMB374.4 million was capitalised.

On 22 March 2022, the issued and unissued shares of HK\$0.1 each in the share capital of our Company were subdivided into ten Shares of HK\$0.01 each, and the authorised share capital of our Company became HK\$380,000 divided into 38,000,000 Shares of HK\$0.01 each.

Immediately following completion of the Spin-off (assuming none of the outstanding Karrie International Share Options has been exercised from the Latest Practicable Date to the Distribution Record Date and not taking into account of any Shares which may be allotted and issued pursuant to the exercise of any options which have been or may be granted under the Share Option Scheme), the issued share capital of our Company will be HK\$5,053,273 divided into 505,327,300 Shares of HK\$0.01 each, all fully paid or credited as fully paid, with 494,672,700 Shares remaining unissued.

Other than pursuant to the general mandate to issue Shares referred to in the section headed “Appendix V — Statutory and General Information — A. Further information about our Company — 4. Written resolutions of the sole Shareholder” in this listing document and the exercise of any options which have been or may be granted under the Share Option Scheme, our Directors do not have any present intention to issue any of the authorised but unissued share capital of our Company and, without the prior approval of our Shareholders at general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Save as disclosed above and in the section headed “History, Reorganisation and Corporate Structure” in this listing document, there has been no alteration in the share capital of our Company since the date of its incorporation.

### **3. Changes in share capital of the subsidiaries of our Company**

Our Company’s subsidiaries are referred to in the Accountants’ Report, the text of which is set out in Appendix I in this listing document.

Save as disclosed in the section headed “History, Reorganisation and Corporate Structure” in this listing document, there has been no alteration in the share capital of any of the subsidiaries of our Company within the two years immediately preceding the date of this listing document.

### **4. Written resolutions of the sole Shareholder**

Pursuant to the written resolutions of our sole Shareholder passed on 21 February 2023, among other things:

- (a) the authorised share capital of our Company was increased from HK\$380,000 divided into 38,000,000 Shares of HK\$0.01 each to HK\$10,000,000 divided into 1,000,000,000 Shares of HK\$0.01 each by the creation of an additional 962,000,000 new Shares of HK\$0.01 each to rank *pari passu* in all respects with our Shares then existing;

- (b) the Memorandum of Association and the Articles were adopted in substitution for and to the exclusion of the existing memorandum of association and articles of association of our Company with effect from the Listing Date; and
- (c) subject to the Stock Exchange granting approval of the listing of, and permission to deal in, our Shares in issue and Shares to be issued as mentioned in this listing document (including any Shares which may be allotted and issued upon exercise of the options that may be granted under the Share Option Scheme in respect of up to 10% of our Shares in issue as at the Listing Date):
- (i) the Spin-off and separate Listing was approved;
  - (ii) our Board or any committee established by our Board was authorised and directed to allot and issue such number of new Shares as will enable Karrie International to effect the Distribution on the basis of one Share for every four Karrie International Shares held as at the Distribution Record Date. Pursuant to the Distribution, subject to the terms and conditions thereof as set out in this listing document and such modifications, amendments, variations or otherwise as may be made by any Director (or any committee established by our Board) in their absolute discretion, and our Board or any committee established by our Board or any Director be and is hereby authorised and directed to effect such modifications, amendments, variations or otherwise as appropriate;
  - (iii) our Board or any such committee of our Board or any Director was authorised and directed to sign and execute such documents and do all such acts and things incidental to the Spin-off and separate Listing or as he/she/it considers necessary, desirable or expedient in connection with the implementation of or giving effect to the Spin-off and separate Listing;
  - (iv) a general unconditional mandate was given to our Directors to allot, issue and deal with, otherwise than by way of rights issue, scrip dividend schemes or similar arrangement providing for the allotment and issue of our Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles, or the exercise of any subscription or conversion rights attaching to any warrants or any securities which are convertible into Shares or an issue of Shares pursuant to the exercise of options which may be granted under the Share Option Scheme, Shares of an aggregate number not exceeding 20% of the aggregate number of Shares in issue immediately upon completion of the Spin-off (taking no account of any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme). Such mandate will expire at the

conclusion of the next annual general meeting of our Company; or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable law of the Cayman Islands to be held; or when revoked, varied or renewed by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first;

- (v) a general unconditional mandate was given to our Directors authorising the repurchase by our Company on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, in accordance with all applicable laws and the requirements of the Listing Rules (or of such other stock exchange), of such number of Shares not exceeding 10% of the number of the Shares of our Company in issue and to be issued immediately upon completion of the Spin-off (taking no account of any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme). Such mandate will expire at the conclusion of the next annual general meeting of our Company; or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable law of the Cayman Islands to be held; or when revoked, varied or renewed by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first;
- (vi) the general unconditional mandate as mentioned in sub-paragraph (iv) above was extended by the addition to the aggregate number of Shares of our Company which may be allotted or agreed to be allotted by our Directors pursuant to such general mandate of an amount representing the aggregate number of Shares of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in sub-paragraph (v) above, provided that such extended amount shall not exceed 10% of the aggregate number of Shares of our Company in issue immediately following completion of the Spin-off but taking no account of any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme.

## **5. Corporate reorganisation**

In preparation for the Spin-off, the companies comprising our Group underwent the Reorganisation as disclosed in the section headed “History, Reorganisation and Corporate Structure” in this listing document.

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

This paragraph contains information required by the Stock Exchange to be included in this listing document concerning the repurchase by our Company of our own securities.

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

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

#### *(i) Shareholders' approval*

The Listing Rules provide that all proposed repurchases of shares (which must be fully paid in the case of shares) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval of a specific transaction.

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*Note:* Pursuant to the written resolutions of the sole shareholder passed on 21 February 2023, the Repurchase Mandate was given to our Directors authorising our Directors to exercise all powers of our Company to purchase our Shares as described above in the section headed “Appendix V — Statutory and General Information — 4. Written resolutions of the sole Shareholder” in this listing document.

#### *(ii) Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles and the laws of the Cayman Islands. Our Company may not repurchase our own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange.

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

#### *(iii) Connected parties*

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

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

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

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

Exercise in full of the Repurchase Mandate, on the basis of 505,327,300 Shares in issue after completion of the Spin-off (assuming that none of the outstanding Karrie International Share Options has been exercised from the Latest Practicable Date to the Distribution Record Date and taking into no account of any Shares which may be allotted and issued pursuant to the exercise of any options which have been or may be granted under the Share Option Scheme), could accordingly result in up to 50,532,730 Shares being repurchased by our Company during the period in which the Repurchase Mandate remains in force.

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

In repurchasing Shares, our Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the applicable laws of the Cayman Islands. Our Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or the gearing levels which in the opinion of our Directors are from time to time appropriate for our Company.

***(e) General***

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

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of our Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of any such increase. Our Directors are not aware of any consequence that would arise under the Takeovers Code as a result of a repurchase pursuant to the Repurchase Mandate.

Our Directors will not exercise the Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules).

No core connected person (as defined in the Listing Rules) of our Company has notified us that he has a present intention to sell Shares to us, or has undertaken not to do so, if the Repurchase Mandate is exercised.

## **B. FURTHER INFORMATION ABOUT THE BUSINESS OF OUR GROUP**


### **1. Summary of material contracts**

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of our Group within the two years immediately preceding the date of this listing document and are or may be material in relation to the business of our Company taken as a whole:

- (a) a conditional sale and purchase agreement dated 28 January 2022 entered into between Benefit Master Limited (as purchaser) and Mr. Ho Cheuk Fai (as vendor) in relation to the Kar Info International Limited at a nominal consideration of US\$100;
- (b) a conditional sale and purchase agreement dated 28 January 2022 entered into between KRP Development Company Limited (as purchaser) and Kar Info Property Limited (as vendor) in relation to the acquisition of the entire equity interest in Dongguan City Jiaxuntong Computer Products Limited\* (東莞市嘉訊通電腦產品有限公司) at the consideration of RMB38 million;
- (c) the Deed of Indemnity; and
- (d) the Deed of Non-competition.

**C. INTELLECTUAL PROPERTY RIGHTS OF OUR GROUP****1. Trademark**

As at the Latest Practicable Date, our Group has one trademark in Hong Kong which we believe are material to our business.

Trademark	Registration number	Class	Name of registered owner	Expiry date
	305329305	36	Karrie Properties Management Limited	9 July 2030

**2. Domain names**

As at the Latest Practicable Date, our Group has registered the following domain names which we believe are material to our business:

Domain name	Name of owner	Commencement date	Expiry Date
www.krpd.com.hk	KRP Development	25 February 2022	25 February 2027

**D. DISCLOSURE OF INTERESTS****1. Interests and short positions of our Directors and chief executive in our Shares, underlying Shares and debentures of our Company and its associated corporations**

Immediately following completion of the Spin-off, taking no account of (i) any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme; and (ii) any Karrie International Shares that may be allotted and issued upon the exercise of the Karrie International Share Options which may affect the number of Shares under the Distribution, the interests and short positions of our Directors or chief executive of our Company in our Shares, underlying Shares and debentures of our Company or any of the associated corporations (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 any interests which they are taken or deemed to have under such provisions of the SFO) or will be required, pursuant to section 352 of the SFO, to be entered in the register as referred to



therein, or will be required, or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to our Company and the Stock Exchange, in each case once our Shares are listed on the Stock Exchange, will be as follows:

*(a) Long position in Shares*

Name of Director	Capacity/nature of interest	Number of Shares (Note 3)	Approximate percentage of shareholding interest of our Company
Mr. Ho Cheuk Fai	Beneficial interest	69,678,000 (L)	72.56%
(Note 1)	Interest of spouse	27,587,500 (L)	
(Note 2)	Interest of a controlled corporation/Other interests	269,402,000 (L)	
Ms. Yiu Yuet Fung	Beneficial interest	930,000 (L)	0.18%
Mr. Ho Man Chung	Beneficial interest	1,000,000 (L)	0.20%
Mr. Ho Wai Hon, Brian	Beneficial interest	538,500 (L)	0.11%
Mr. Choi Wai Hin	Beneficial interest	262,500 (L)	0.05%

- (1) Immediately following completion of the Spin-off and assuming that its shareholding in Karrie International remains unchanged from the Latest Practicable Date to the Distribution Record Date, Mr. Ho Cheuk Fai's personal interest will consist of 69,678,000 Shares. By virtue of the SFO, he is deemed to be interested in 27,587,500 Shares held by his spouse, Ms. Ho Po Chu, as beneficial owner.
- (2) Immediately following completion of the Spin-off and assuming that its shareholding in Karrie International remains unchanged from the Latest Practicable Date to the Distribution Record Date, the 269,402,000 Shares will comprise (i) 121,902,000 Shares held by New Sense Enterprises Limited ("**New Sense**"); and (ii) 82,500,000 Shares held by Castfast Properties Development Co., Limited ("**Castfast Properties**"), 87% of the issued share capital of which is beneficially owned by Honford Investments Limited ("**Honford Investments**"). New Sense and Honford Investments are each wholly-owned by TMF (BVI) Limited ("**TMF**") as trustee for a discretionary trust, The Ho Family Trust, and (iii) 65,000,000 Shares held by The Wedding City Co. Limited ("**The Wedding City**"), 90% and 10% of the issued share capital of which is beneficially owned by Mr. Ho Cheuk Fai and Ms. Ho Po Chu, respectively. By virtue of the SFO, Mr. Ho Cheuk Fai is deemed to be interested in the 204,402,000 Shares in (i) and (ii) as founder of The Ho Family Trust and in 65,000,000 Shares in (iii) through The Wedding City. Ms. Ho Po Chu and Mr. Ho Cheuk Ming are the discretionary objects of The Ho Family Trust and are thus deemed to be interested in the 204,402,000 Shares held under The Ho Family Trust. Therefore, the interests of Mr. Ho Cheuk Fai and Ms. Ho Po Chu in the 204,402,000 Shares duplicate with each other.
- (3) Fractional entitlements of our Shares under the Distribution may be taken into account in calculating the interests shown above, and accordingly the number of Shares in which they are, or are deemed to be interested, as well as the shareholding percentages, are approximate only. The letter "L" denotes the person's long position in our Shares.

## 2. Interests and short positions of Substantial Shareholders in our Shares, and underlying Shares

So far as it is known to our Directors and save as disclosed in the section headed “Relationship with Controlling Shareholders” in this listing document, immediately following completion of the Spin-off (taking no account of (i) any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme; and (ii) any Karrie International Shares that may be allotted and issued upon the exercise of the Karrie International Share Options which may affect the number of Shares under the Distribution), the following persons (not being a Director or chief executive of our Company) will have interests or short positions in our Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group:

### *Long position in Shares*

Name	Name Capacity/nature of interest	Number of Shares held or Interested <i>(Note 8)</i>	Approximate shareholding percentage
Ms. Ho Po Chu	Beneficial interest	27,587,500 (L)	72.56%
<i>(Note 1)</i>	Interest of spouse	134,678,000 (L)	
<i>(Note 2)</i>	Interest of a controlled corporation/Other interests	204,402,000 (L)	
Mr. Ho Cheuk Ming	Beneficial interest	2,850,000 (L)	41.01%
<i>(Note 1)</i>	Interest of a controlled	204,402,000 (L)	
<i>(Note 3)</i>	corporation/Other interests		
TMF	Interest of a controlled	204,402,000 (L)	40.45%
<i>(Note 4)</i>	corporation/Other interests		
New Sense	Beneficial interest	121,902,000 (L)	24.12%
<i>(Note 5)</i>			
Castfast Properties	Beneficial interest	82,500,000 (L)	16.33%
<i>(Note 6)</i>			
Honford Investment	Interest of a controlled	82,500,000 (L)	16.33%
<i>(Note 6)</i>	corporation/Other interests		
The Wedding City	Beneficial interest	65,000,000 (L)	12.86%
<i>(Note 7)</i>			

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*Notes:*

- (1) Immediately following completion of the Spin-off and assuming that its shareholding in Karrie International remains unchanged from the Latest Practicable Date to the Distribution Record Date, the 269,402,000 Shares will comprise (i) 121,902,000 Shares held by New Sense; and (ii) 82,500,000 Shares held by Castfast Properties, 87% of the issued share capital of which is beneficially owned by Honford Investments. New Sense and Honford Investments are each wholly-owned by TMF as trustee for a discretionary trust, The Ho Family Trust, and (iii) 65,000,000 Shares held by The Wedding City, 90% and 10% of the issued share capital of which is beneficially owned by Mr. Ho Cheuk Fai and Ms. Ho Po Chu, respectively. By virtue of the SFO, Mr. Ho Cheuk Fai is deemed to be interested in the 204,402,000 Shares in (i) and (ii) as founder of The Ho Family Trust and in 65,000,000 Shares in (iii) through The Wedding City. Ms. Ho Po Chu and Mr. Ho Cheuk Ming are the discretionary objects of The Ho Family Trust and are thus deemed to be interested in the 204,402,000 Shares held under The Ho Family Trust. Therefore, the interests of Mr. Ho Cheuk Fai, Ms. Ho Po Chu and Mr. Ho Cheuk Ming in the 204,402,000 Shares duplicate with each other.
- (2) Immediately following completion of the Spin-off and assuming that its shareholding in Karrie International remains unchanged from the Latest Practicable Date to the Distribution Record Date, the personal interests of Ms. Ho Po Chu will comprise 27,587,500 Shares. By virtue of the SFO, Ms. Ho Po Chu is also deemed to be interested in (a) 69,678,000 Shares held by her spouse, Mr. Ho Cheuk Fai as beneficial owner, and (b) 269,402,000 Shares deemed to be held by Mr. Ho Cheuk Fai referred to in Note 1 above.
- (3) Immediately following completion of the Spin-off and assuming that its shareholding in Karrie International remains unchanged from the Latest Practicable Date to the Distribution Record Date, the personal interests of Mr. Ho Cheuk Ming will comprise 2,850,000 Shares.
- (4) By virtue of the SFO, TMF is deemed to be interested in these Shares held by New Sense, Castfast Properties and Honford Investments by virtue of acting as the trustee for The Ho Family Trust.
- (5) Immediately following completion of the Spin-off and assuming that its shareholding in Karrie International remains unchanged from the Latest Practicable Date to the Distribution Record Date, the entire issued share capital of New Sense will be owned by TMF as trustee for The Ho Family Trust.
- (6) Immediately following completion of the Spin-off and assuming that its shareholding in Karrie International remains unchanged from the Latest Practicable Date to the Distribution Record Date, 87% of the issued share capital of Castfast Properties will be beneficially owned by Honford Investments. The entire issued share capital of Honford Investments will be owned by TMF as trustee for a discretionary trust, The Ho Family Trust. The interests of Honford Investments duplicate with those of the Castfast Properties.
- (7) Immediately following completion of the Spin-off and assuming that its shareholding in Karrie International remains unchanged from the Latest Practicable Date to the Distribution Record Date, 65,000,000 Shares will be beneficially held by The Wedding City. 90% and 10% of the issued share capital of which is beneficially owned by Mr. Ho Cheuk Fai and Ms. Ho Po Chu, respectively.
- (8) Fractional entitlements of our Shares under the Distribution may be taken into account in calculating the interests shown above, and accordingly the number of Shares in which they are, or are deemed to be interested, as well as the shareholding percentages, are approximate only. The letter "L" denotes the person's long position in our Shares.

**3. Particulars of our Directors' service agreements*****(a) Executive Directors and Non-executive Director***

Each of our executive Directors and non-executive Director has entered into a service contract with our Company commencing from the Listing Date, which can be terminated by not less than three months' notice in writing served by either party on the other, and which are subject to the provisions of the Articles of Association with regard to vacation of office of Directors, removal and retirement by rotation of Directors.

***(b) Independent non-executive Directors***

Each of our independent non-executive Directors has signed an appointment letter with our Company for an initial fixed term of one year commencing from the Listing Date, which can be terminated before the expiration of the term by not less than one months' notice in writing served by either party on the other, and which are subject to the provisions of the Articles of Association with regard to vacation of office of Directors, removal and retirement by rotation of Directors.

Save as disclosed in the paragraph above, none of our Directors has entered into a service contract or letter of appointment with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

**4. Remuneration of our Directors**

Please refer to the section headed "Directors, Senior Management and Employees — Directors' Remuneration" in this listing document for further information on our Directors' remuneration.

There was no arrangement under which a Director waived or agreed to waive any remuneration during the Track Record Period.

## 5. Disclaimers

Save as disclosed in the sections headed “Directors, Senior Management and Employees”, “Substantial Shareholders” and this section headed “Appendix V — Statutory and General Information” of this listing document:

- (a) so far as our Directors are aware, none of our Directors or chief executive has any interest or short position in the shares, underlying shares or debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) immediately following the completion of the Spin-off and the options which may be granted under the Share Option Scheme are not exercised, which will have to be notified to our Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she will be taken or deemed to have under the SFO) once our Shares are listed, or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein once our Shares are listed, or which will be required, pursuant to the Listing Rules relating to securities transactions by our Directors to be notified to our Company and the Stock Exchange, once our Shares are listed;
- (b) so far as our Directors are aware, none of our Directors and experts referred to under the heading “G. Other information — 6. Qualifications of experts” of this Appendix has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this listing document been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (c) none of our Directors and experts referred to under the heading “G. Other information — 6. Qualifications of experts” in this Appendix is materially interested in any contract or arrangement subsisting at the date of this listing document which is significant in relation to the business of our Group taken as a whole;
- (d) none of our Directors has any existing or proposed service agreements with any member of our Group, excluding agreements which are determinable by the employer within one year without payment of compensation other than statutory compensation;

- (e) taking no account of any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, our Directors are not aware of any person, not being a Director of our Company, who will, immediately following completion of the Spin-off, be interested in or has short positions in our Shares or underlying shares of our Company which have to be notified to our Company and the Stock Exchange under Divisions 2 and 3 of Part XV of the SFO once our Shares are listed, or who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group;
- (f) none of the experts referred to under the heading “G. Other information — 6. Qualifications of experts” of this Appendix has any shareholding in any member of our Group or the right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of our Group; and
- (g) none of our Directors, their associates or any shareholder of our Company (which to the knowledge of our Directors owns more than 5% of our Company’s issued share capital) has any interest in our Group’s five largest suppliers and five largest customers.

#### **6. Agency fees or commissions received**

Save as disclosed in the section headed “Financial Information — Listing Expenses” in this listing document, none of our Directors, or the experts named in the section headed “Appendix V — Statutory and General Information — G. Other information — 6. Qualifications of experts” in this listing document had received any agency fee, commissions, discounts, brokerages or other special terms in connection with the issue or sale of any capital of any member of our Group from our Group within the two years immediately preceding the date of this listing document.

#### **7. Related party transactions**

For details of the related party transactions of our Group entered into within two years immediately preceding the date of this listing document, please refer to Note 27 to the Accountants’ Report in Appendix I.

## E. SHARE OPTION SCHEME

The principal terms of the Share Option Scheme conditionally adopted under the resolutions of the sole Shareholder of our Company passed on 26 August 2022 are set out below. For the avoidance of doubt, holders of Karrie International Share Options will not, by virtue only of their holding of any Karrie International Share Options, be entitled to options under the Share Option Scheme,

### 1. Purpose of the Share Option Scheme

The Share Option Scheme is an incentive scheme established to recognise and motivate the contributions that Eligible Participants (as defined below) have made or may make to our Group.

The Share Option Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in our Company with the view to achieve the following principal objectives:

- (a) motivate the Eligible Participants to optimise their performance and efficiency for the benefit of our Group; and
- (b) attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to our Group.

For the purpose of the Share Option Scheme, “Eligible Participants” means any person who satisfies the eligibility criteria in paragraph 2 below.

### 2. Who may join and basis of eligibility

Our Board may at its discretion grant options to:

- (i) any Eligible Employees. “**Eligible Employees**” means any employee (whether full time or part time, including any executive director but excluding any non-executive director) of our Company, any subsidiary or any entity in which our Group holds at least 20% of its issued share capital (“**Invested Entity**”);
- (ii) any non-executive director (including independent non-executive directors) of our Company, any subsidiary or any Invested Entity;
- (iii) any supplier of goods or services of any member of our Group or any Invested Entity;

- (iv) any person or entity that provides research, development or other technological support to any member of our Group or any Invested Entity;
- (v) any shareholder of any member of our Group or any Invested Entity or any holder of any securities issued by any member of our Group or any Invested Entity;
- (vi) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of our Group or any Invested Entity; and
- (vii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of our Group, and, for the purposes of the Share Option Scheme, options may be granted to any company wholly-owned by one or more Eligible Participants.

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

### **3. Subscription Price of Shares**

The subscription price for any Share under the Share Option Scheme shall subject to any adjustments made pursuant to paragraph 14 below, be a price determined by our Directors and shall not be less than the highest of: (i) the closing price of our Shares as stated in the Stock Exchange's daily quotations sheet for trade on the offer date of the relevant option, which must be a day on which the Stock Exchange is open for the business of dealing in securities (a "**Trading Day**"); (ii) the average closing price of our Shares as stated in the Stock Exchange's daily quotations sheets for the five Trading Days immediately preceding the offer date of the relevant option; and (iii) the nominal value of a Share on the offer date. For the purpose of calculating the exercise price where our Company has been listed for less than five Trading Days, the closing price of our Shares for the Listing Date.



#### 4. Grant of options and acceptance of offers

An offer for the grant of options shall be deemed to have been accepted when our Company receives the letter containing the offer duly signed by the grantee together with a remittance of HK\$1.00 (or such other nominal sum in any currency as our Directors may determine) in favour of our Company as consideration for the grant thereof within such time as may be specified in the offer (which shall not be later than 21 days from the offer date). Such remittance shall in no circumstances be refundable. Once accepted, the option is granted as from the date on which it was offered to the relevant Eligible Participant.

#### 5. Maximum number of Shares

- (i) Subject to sub-paragraphs (ii) to (iv) below and assuming that the total number of Karrie International Shares in issue remains unchanged from the Latest Practicable Date to the Distribution Record Date, the maximum number of Shares in respect of which options may be granted under the Share Option Scheme shall not, in aggregate, exceed 10% of our Shares in issue as at the Listing Date, being 50,532,730 Shares (the “**Scheme Mandate Limit**”) unless approved by our Shareholders pursuant to sub-paragraph (iii) below. Options lapsed in accordance with the terms of the scheme(s) will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (ii) Subject to sub-paragraphs (iii) and (iv) below, the Scheme Mandate Limit may be renewed by our Shareholders in general meeting from time to time provided always that the Scheme Mandate Limit so renewed must not exceed 10% of our Shares in issue as at the date of approval of such renewal by our Shareholders. Upon such renewal, all options granted under the Share Option Scheme and any other share option schemes of our Company (including those exercised, outstanding, cancelled, lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of our Company) prior to the approval of such renewal shall not be counted for the purpose of calculating the Scheme Mandate Limit as renewed. A circular must be sent to our Shareholders containing such relevant information from time to time as required by the Listing Rules in connection with the general meeting at which their approval is sought.
- (iii) Subject to sub-paragraphs (iv) below, our Directors may seek separate shareholders’ approval in general meeting to grant options beyond the Scheme Mandate Limit provided that the options in excess of the Scheme Mandate Limit are granted only to the Eligible Participants specifically identified by our Company before such approval is sought and our Company must issue a circular to our Shareholders containing such relevant information from time to time as required by the Listing Rules in relation to any such proposed grant to such Eligible Participants.

- (iv) The maximum number of Shares which may be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by our Group must not, in aggregate, exceed 30% of our Shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes adopted by our Group if such grant will result in the said 30% limit being exceeded.

#### **6. Maximum entitlement of each participant**

No option shall be granted to any Eligible Participant which, if exercised in full would result in the total number of our Shares issued and to be issued upon exercise of the options already granted or to be granted to such Eligible Participant under the Share Option Scheme (including exercised, cancelled and outstanding share options) in any 12-month period up to and including the date of such grant exceeding 1% in aggregate of our Shares in issue as at the date of such grant. Any grant of further options above this limit shall be subject to the following requirements:

- (i) approval of our Shareholders at general meeting, with such Eligible Participant and his/her close associates (or his/her associates if the Eligible Participant is a core connected person) abstaining from voting;
- (ii) a circular in relation to the proposal for such further grant must be sent by our Company to our Shareholders with such information from time to time as required by the Listing Rules;
- (iii) the number and terms of the options to be granted to such proposed grantee shall be fixed before our Shareholders' approval mentioned in (i) above; and
- (iv) for the purpose of calculating the minimum exercise price for our Shares in respect of the further options proposed to be so granted, the date of board meeting for proposing such grant of further options shall be taken as the date of offer of such options.

#### **7. Requirements on granting options to certain core connected persons**

Any grant of options to any Director, chief executive or substantial shareholder of our Company, or any of their respective associates, must be approved by the independent non-executive Directors (excluding an Independent Non-executive director who or whose associate is a proposed grantee of an option).

Where any grant of options to a substantial Shareholder or an independent non-executive Director or any of their respective associates would result in the total number of our Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the total number of Shares in issue; and
- (ii) having an aggregate value, based on the closing price of our Shares at the date of such grant, in excess of HK\$5 million,

such further grant of options must be approved by our Shareholders by poll in a general meeting where the grantee, his/her associates and core connected persons of our Company must abstain from voting in favour at such general meeting. Our Company will send a circular to our Shareholders containing the information required under the Listing Rules.

#### **8. Restrictions on the time of grant of options**

No option shall be granted after inside information has come to the knowledge of our Company until our Company has announced the information. In particular, it may not grant any option during the period commencing one month immediately before the earlier of (i) the date of our Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving our Company's results for any year, half-year or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for our Company to announce its results for any year or half-year under the Listing Rules, or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement. No option may be granted during any period of delay in publishing a results announcement. “**Inside information**” has the meaning defined in the SFO.

Our Directors may not make any offer to an Eligible Participant who is a Director during the periods or times in which our Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by our Company.

**9. Time of exercise of option**

An option may (and may only) be exercised in accordance with the terms of the Share Option Scheme at any time during a period as our Directors may determine which shall not exceed 10 years from the offer date subject to the provisions of early termination thereof, and provided that our Directors may determine the minimum period for which an option has to be held or other restrictions before its exercise.

The grantee shall not exercise an option to the extent that the public float of our Company will be less than 25% (or such higher percentage as required by the Stock Exchange or the Listing Rules) of the issued share capital of our Company immediately after the allotment and issue of our Shares upon such exercise of the option.

**10. Performance targets**

Save as determined by our Directors and provided in the offer of grant of the options, there is no performance target that must be achieved before the options can be exercised.

**11. Ranking of Shares**

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

**12. Rights are personal to grantee**

An option shall be personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any option or enter into any agreement so to do. Any breach of the foregoing by a grantee shall entitle our Company to cancel any option granted to such grantee to the extent not already exercised.

**13. Rights on cessation of employment**

- (i) In the event of death of the grantee (being an individual) before exercising the option in full, his/her personal representative(s) may exercise the option up to the grantee's entitlement (to the extent exercisable as at the date of his/her death and not already exercised) within a period of 12 months following his/her death or such longer period as our Directors may determine.
- (ii) In the event of the grantee who is an Eligible Employee ceasing to be an Eligible Employee for any reason other than his/her death, or the termination of his/her employment pursuant to paragraph 18(v), the grantee may exercise the option (to the extent exercisable as at the date of such cessation and not already exercised) within 30 days following such cessation or such longer period as our Directors may determine. The date of cessation as aforesaid shall be the last day on which the grantee was actually at work with our Company or the relevant subsidiary or the Invested Entity whether salary is paid in lieu of notice or not, or such longer period as our Directors may determine.

**14. Effects of alterations to share capital**

In the event of any alteration in the capital structure of our Company while an option remains exercisable or the Share Option Scheme remains in effect whether by way of capitalisation of profits or reserves, bonus issue, rights issue, consolidation, subdivision or reduction of share capital of our Company, such corresponding alterations (if any) shall be made in the number or nominal amount of Shares to which the Share Option Scheme or any option(s) relate so far as unexercised; and/or the subscription price; and/or the method of exercise of the options; and/or the maximum number of Shares subject to the Share Option Scheme.

Any adjustments required under this paragraph must be made in compliance with the Listing Rules and give a grantee the same proportion of the equity capital as that to which that grantee was previously entitled and shall be made on the basis that the aggregate subscription price payable by a grantee on the full exercise of any option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but no such adjustments may be made to the extent that Shares would be issued at less than nominal value, provided that in such circumstance, the subscription price shall be reduced to the nominal value. For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation issue, the independent financial adviser of our Company or the auditor(s) of our Company must confirm to our Board in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules.

**15. Rights on a general offer**

If a general or partial offer (whether by way of takeover offer, share re-purchase 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 concert with the offeror), our Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, our Shareholders. If such offer becomes or is declared unconditional, the grantee shall be entitled to exercise the option (to the extent exercisable as at the date on which the offer becomes or is declared unconditional and not already exercised) in full or in part at any time within 14 days after the date on which the offer becomes or is declared unconditional.

**16. Rights on winding-up**

In the event notice is given by our Company to our Shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up our Company, our Company shall forthwith give notice thereof to the grantee and the grantee shall be entitled to exercise all or any of his/her options (to the extent exercisable as at the date of the notice of meeting and not already exercised) at any time not later than two Trading Days (excluding any period(s) of closure of our Company's share registers) prior to the proposed meeting of our Company to consider the winding-up and our Company shall, as soon as possible and in any event no later than the Trading Day (excluding any period(s) of closure of our Company's share registers) immediately prior to the date of the proposed shareholders' meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise.

**17. Rights on compromise or arrangement**

In the event of a compromise or arrangement between our Company and its members or creditors being proposed in connection with a scheme for the restructuring, reconstruction or amalgamation of our Company, our Company shall give notice thereof to all grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme, and thereupon the grantee shall be entitled to exercise all or any of his/her option(s) (to the extent which has become exercisable as at the date of the notice and not already exercised) at any time not later than two Trading Days (excluding any period(s) of closure of our Company's share registers) prior to the proposed meeting and our Company shall, as soon as possible and in any event no later than the Trading Day (excluding any period(s) of closure of our Company's share registers) immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise.

**18. Lapse of options**

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

- (i) the expiry of the option period;
- (ii) the expiry of any of the periods referred to in paragraph 13 above;
- (iii) subject to paragraph 16 above, the date of the commencement of the winding-up of our Company;
- (iv) the expiry of the period referred to in paragraph 17 above;
- (v) the date on which the grantee who is an Eligible Employee ceases to be an Eligible Employee by reason of summary dismissal or being dismissed for misconduct or other breach of the terms of his/her employment contract or other contract constituting him/her an Eligible Employee, or the date on which he/she begins to appear to be unable to pay or has no reasonable prospect of being able to pay his/her debts or has become insolvent or has made any arrangements or composition with his or her creditors generally or on which he/she has been convicted of any criminal offence involving his or her integrity or honesty, unless otherwise resolved to the contrary by our Board;
- (vi) in respect of a grantee other than an Eligible Employee, the date on which our Directors shall at their absolute discretion determine that (i)(a) such grantee has committed any breach of any contract entered into between such grantee on one part and our Group or any Invested Entity on the other part; or (b) such grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (c) such grantee could no longer make any contribution to the growth and development of our Group by reason of the cessation of its relations with our Group or by any other reason whatsoever; and (ii) the option shall lapse as a result of any event specified in subparagraph (i)(a), (b) or (c) above, unless otherwise resolved to the contrary by our Board;
- (vii) the expiry of the period referred to in paragraph 15 above; and
- (viii) the date on which the grantee commits a breach of paragraph 12 or any terms or conditions attached to the grant of the option or an event, in respect to a grantee, referred to in (2) below occurs, unless otherwise resolved to the contrary by our Board.

If the grantee is a company wholly-owned by one or more Eligible Participants:

- (1) the provisions of paragraphs 13(i) and (ii), 18(v) and (vi) shall apply to the grantee and to the options granted to such grantee, mutatis mutandis, as if such options had been granted to the relevant Eligible Participant, and such options shall accordingly lapse or fall to be exercisable after the event(s) referred to in paragraphs 13(i) and (ii), 18(v) and (vi) shall occur with respect to the relevant Eligible Participant; and
- (2) the options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly-owned by the relevant Eligible Participant, provided that our Directors may in their absolute discretion decide that such options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

#### **19. Cancellation of options granted but not yet exercised**

- (a) Any options granted but not exercised may be cancelled by the Board and such cancellation is recommended by the remuneration committee of the Company. Any options granted but subsequently renounced by the Grantee may be cancelled by the Board.
- (b) If an option is cancelled under paragraph 19(a), the Grantee shall not be entitled to any compensation from the Company.
- (c) Where the Company cancels options and issue new options to the same Grantee, the issue of such new options may only be made with available unissued options (excluding the cancelled options) within the Scheme Mandate Limit.

#### **20. Period of the Share Option Scheme**

Subject to the terms of the Share Option Scheme, the Share Option Scheme shall be valid and effective for a period of 10 years after the adoption date, after which no further options may be issued. Subject to the above, in all other respects, in particular, in respect of Options remaining outstanding, the provisions of the Share Option Scheme shall remain in full force and effect.

Our Board may impose such terms and conditions of the offer of grant either on a case-by-case basis or generally as are not inconsistent with the Share Option Scheme including but not limited to the minimum period for which an option must be held before it can be exercised.



## 21. Alteration to the Share Option Scheme

The Share Option Scheme may be altered in any respect by resolution of our Board except that the terms and conditions of the Share Option Scheme relating to matters set out in Rule 17.03 of the Listing Rules (or any other relevant provisions of the Listing Rules from time to time applicable) cannot be altered to the advantage of grantees or prospective grantees except with the prior approval of our Shareholders in general meeting. No such alteration shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alterations except with the consent or sanction of such majority of the grantee as would be required of our Shareholders under the Articles for the time being of our Company for a variation of the rights attached to Shares.

Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by our Shareholders in general meeting, except where such alterations take effect automatically under the existing terms of the Share Option Scheme.

Any change to the authority of our Directors or administrators of the Share Option Scheme in relation to any alterations to the terms of the Share Option Scheme must be approved by our Shareholders in general meeting.

The amended terms of the Share Option Scheme and/or the options must continue to comply with the requirements set out in the note to rule 17.03(13) of the Listing Rules and the supplementary guidance being the attachment to FAQ No. 072/2020 released by the Stock Exchange on 6 November 2020 and/or any future guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time.

Subject to the above paragraphs, our Board may at any time alter, amend or modify the terms and conditions of the Share Option Scheme such that the provisions of the Share Option Scheme would comply with all relevant legal and regulatory requirements in all relevant jurisdictions to the extent as considered necessary by our Directors to implement the terms of the Share Option Scheme.

**22. Termination to the Share Option Scheme**

Our Company by ordinary resolution in general meeting or our Directors may at any time terminate the operation of the Share Option Scheme and in such event, no further options will be offered but the provisions of the Share Option Scheme shall remain in force in all other respects.

Options complying with the provisions of the Listing Rules which are granted during the life of the Share Option Scheme and remain unexpired immediately prior to the termination of the operation of the Share Option Scheme shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the Share Option Scheme.

**23. Conditions of the Share Option Scheme**

The Share Option Scheme is conditional upon (i) the Stock Exchange granting the approval of the listing of and permission to deal in our Shares in issue and our Shares to be issued pursuant to the Spin-off and any Shares which may fall to be issued pursuant to the exercise of any options under the Share Option Scheme; (ii) the commencement of dealings in our Shares on the Stock Exchange; (iii) the passing by our Board and our sole Shareholder of resolution approving and adopting the Share Option Scheme; and (iv) the passing by the Karrie International Shareholders in accordance with the Listing Rules and all applicable laws at the extraordinary general meetings of Karrie International Shareholders of resolution approving the Share Option Scheme.

As at the Latest Practicable Date, no option had been granted by our Company under the Share Option Scheme. An application has been made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in our Shares to be issued and allotted by our Company pursuant to the exercise of options that may be granted under the Share Option Scheme in respect of up to 10% of our Shares in issue as at the Listing Date.

Our Directors consider it inappropriate to disclose the value of options which may be granted under the Share Option Scheme as if they had been granted as at the Latest Practicable Date. Any such valuation will have to be made on the basis of certain option pricing model or other methodology, which depends on various assumptions including, the exercise price, the exercise period, interest rate, expected volatility and other variables. As no options have been granted, certain variables are not available for calculating the value of options. Our Directors believe that any calculation of the value of options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to investors.

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

Pursuant to the Deed of Indemnity given by each of our Controlling Shareholders in favour of our Company (and its subsidiaries) and conditional on the Listing, our Controlling Shareholders have agreed and undertaken to jointly and severally agree, covenant and undertake with each of the member of our Group that he/it will indemnify each of the members of our Group against taxation falling on any member of our Group resulting from or by reference to any income, profits or gains, transactions, events, acts, omissions, matters or things earned, accrued or received, entered into (or deemed to be so earned, accrued, received or entered into) or occurring on or before the date of the Listing.

However, the indemnities given by our Controlling Shareholders under the Deed of Indemnity do not cover, and our Controlling Shareholders shall be under no liability in respect of, any liability on taxation and taxation claim:

- (a) to the extent that provision has been made in the audited consolidated accounts of our Group or the audited accounts of any of the members of our Group for an accounting period ended on or before 30 September 2022; or
- (b) falling on any members of our Group in respect of any accounting period commencing on or after 30 September 2022 unless such liability would not have arisen but for some act or omission of, or transaction entered into by, our Controlling Shareholders or any members of our Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring), otherwise than in the ordinary course of business, or in the ordinary course of acquiring or disposing of capital assets, on or before the Listing Date; or
- (c) to the extent that such liability arises or is incurred as a consequence of any change in the law, rules or regulations, or the interpretation or practise thereof by any statutory or governmental authority (in Hong Kong, the PRC or elsewhere), including without limitation the Inland Revenue Department and the tax bureau of the PRC, having retrospective effect coming into force after the Listing Date or to the extent that such liability arises or is increased by an increase in rates of taxation or other penalties after the Listing Date with retrospective effect; or
- (d) to the extent of any provision or reserve made for such liability in the audited accounts referred to in Clause (a) above which is finally established to be an overprovision or an excessive reserve provided that the amount of any such provision or reserve applied to reduce our Controlling Shareholders' liability in respect of such liability shall not be available in respect of any such liability arising thereafter.

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of its subsidiaries.

## **2. Litigation**

As at the Latest Practicable Date, to the best of our Directors' knowledge, there is no current litigation or any pending or threatened litigation or arbitration proceedings against any member of our Group that could have a material adverse effect on our Group's financial condition or results of operation.

## **3. The Sole Sponsor**

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

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

The fees of the Sole Sponsor are HK\$4.7 million and are payable by our Company.

## **4. Preliminary expenses**

The preliminary expenses incurred by our Company in respect of our incorporation were approximately US\$7,800 and were paid by our Group.

## **5. Promoter**

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

**6. Qualifications of experts**

The following are the respective qualifications of the experts who have given their opinion or advice which is contained in this listing document:

Dongxing Securities (Hong Kong) Company Limited	A licensed corporation under the SFO to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities
KPMG	Certified Public Accountants Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
Conyers Dill & Pearman	Cayman Islands attorneys-at-law
Cushman & Wakefield Limited	Industry Consultant
Fangda Partners	Legal advisor to our Company as to PRC laws
Cushman & Wakefield Limited	Property Valuer

**7. Consents of experts**

Each of the parties listed in the section headed “Appendix V — Statutory and General Information — G. Other information — 6. Qualifications of experts” in this listing document has given and has not withdrawn its written consent to the issue of this listing document with the inclusion of its letter, report, valuation certificate, opinion and/or references to its name (as the case may be), all of which are dated the date of this listing document, in the form and context in which they respectively appear in this listing document.

None of the experts named above has any shareholding interest in any members of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any members of our Group.

**8. Share Registrars**

The register of members of our Company will be maintained in the Cayman Islands by Conyers Trust Company (Cayman) Limited and a branch register of members of our Company will be maintained in Hong Kong by its Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited. Save where our Directors otherwise agree, all transfers and other documents of title to Shares must be lodged for registration with, and registered by, our Company’s branch share registrar in Hong Kong and may not be lodged in the Cayman Islands.

**9. No material adverse change**

Our Directors confirm that there has been no material adverse change in our financial prospects of our Company or its subsidiaries since 30 September 2022 (being the date to which the latest audited financial statements of our Company were made up).

**10. Miscellaneous**

- (a) Within the two years immediately preceding the date of this listing document:
  - (i) save as disclosed in the section headed “History, Reorganisation and Corporate Structure”, no share or loan capital of our Company or any of its subsidiaries has been issued, agree to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash;
  - (ii) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of its subsidiaries;
  - (iii) no commission has been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares; and
  - (iv) no founder, management or deferred shares of our Company have been issued or agreed to be issued.
- (b) No share, warrant or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- (c) All necessary arrangements have been made enabling our Shares to be admitted into CCASS;
- (d) Our Directors confirm that none of them shall be required to hold any shares by way of qualification and none of them has any interest in the promotion of our Company;
- (e) There has not been any interruption in the business of our Group which may have or have had a significant effect on the financial position of our Group in the 12 months immediately preceding the date of this listing document;
- (f) There is no arrangement under which future dividends are waived or agreed to be waived;
- (g) None of the equity and debt securities of our Company is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought; and
- (h) In case of any discrepancies between the English language version and the Chinese language version, the English language version shall prevail.