

## APPENDIX IV

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### A. FURTHER INFORMATION ABOUT OUR COMPANY

#### 1. Incorporation of our Company

Our Company was incorporated in the Cayman Islands under the Cayman Companies Act as an exempted company with limited liability on July 27, 2022. Our Company has established its principal place of business in Hong Kong at 40th Floor, Dah Sing Financial Center, No. 248 Queen’s Road East, Wanchai, Hong Kong and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on November 7, 2022. Ms. Ho Yin Kwan has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company was incorporated in the Cayman Islands, its operations are subject to the Cayman Companies Act, the Memorandum and the Articles of Association and the applicable laws of Cayman Islands. A summary of certain provisions of the Memorandum and Articles of Association and relevant aspects of the Cayman Companies Act is set out in “Summary of the Constitution of the Company and Cayman Islands Company Law” in Appendix III to this document.

#### 2. Changes in the share capital of our Company

As of the date of incorporation of our Company, the authorized share capital of our Company was US\$50,000 divided into 500,000,000 Shares of US\$0.0001 each. Upon its incorporation, a total of 42,164,522 Shares were allotted and issued at par in the following manner:

- (a) one Share to an initial subscriber who is an Independent Third Party, and such Share was transferred to Lecang Shining which was ultimately controlled by Ms. Li (our Controlling Shareholder and executive Director);
- (b) 3,269,386 Shares to Lecang Shining;
- (c) 4,048,710 Shares to Lecang Flourishing;
- (d) 2,116,907 Shares to Power Bright;
- (e) 2,000,000 Shares to Lecang Liberty;
- (f) 1,933,700 Shares to Cassia Treasure;
- (g) 1,800,000 Shares to Lecang Vast Galaxy;
- (h) 1,784,841 Shares to Lecang Crystal;

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- (i) 1,283,025 Shares to Lecang Blooming;
- (j) 1,220,000 Shares to Lecang Champion;
- (k) 1,054,000 Shares to Wind Blue;
- (l) 937,500 Shares to Lecang Luxuriant;
- (m) 900,000 Shares to Lecang Soar;
- (n) 390,000 Shares to Lecang Vast Star;
- (o) 319,000 Shares to Lecang Amazing;
- (p) 5,042,100 Shares to Glorious Sailing;
- (q) 12,649,387 Shares to Lecang Altitude; and
- (r) 1,415,965 Shares to Lecang Fantasy.

Pursuant to the written resolutions of our Shareholders passed on August 23, 2023, our authorized share capital was increased from US\$50,000 to US\$[REDACTED] by the creation of an additional [REDACTED] Shares, and following such increase, the authorized share capital of our Company was US\$[REDACTED] divided into [REDACTED] Shares of US\$0.0001 each.

Immediately following the completion of the [REDACTED] and the [REDACTED] and without taking into account any Shares which may be issued upon the exercise of the [REDACTED] or any options which may be granted under the [REDACTED] Share Scheme, the issued share capital of our Company will be US\$[REDACTED] divided into [REDACTED] Shares, all fully paid or credited as fully paid, and [REDACTED] Shares will remain unissued.

Save as disclosed in “—2. Changes in the share capital of our Company” and as mentioned in “—4. Written resolutions of our Shareholders passed on August 23, 2023” below, there has been no alteration in the share capital of our Company since its incorporation.

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

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

The following alterations in the share capital of our subsidiaries have taken place within the two years immediately preceding the date of this document:

#### *Lcang Enterprise Management*

On August 24, 2022, the registered capital of Lcang Enterprise Management was increased from RMB5 million to RMB5.94 million.

On September 27, 2022, the registered capital of Lcang Enterprise Management was increased from RMB5.94 million to RMB6 million.

On October 9, 2022, the registered capital of Lcang Enterprise Management was increased from RMB6 million to RMB86 million.

#### *Qingdao Boya*

On February 23, 2023, the registered capital of Qingdao Boya was increased from US\$0.8 million to US\$1.8 million.

For details of the above, see “History, Reorganization and Corporate Structure—Reorganization.”

### 4. Written resolutions of our Shareholders passed on August 23, 2023

Pursuant to the written resolutions passed by our Shareholders on August 23, 2023, among other matters:

- (a) we approved and adopted the Memorandum with immediate effect and conditionally adopted the Articles which will become effective upon [REDACTED];
- (b) the authorized share capital of our Company was increased from US\$50,000 divided into 500,000,000 Shares to US\$2,000,000 divided into 20,000,000,000 Shares by the creation of an additional 19,500,000,000 Shares ranking pari passu in all aspects with the existing Shares with immediate effect;
- (c) conditional on (aa) the Stock Exchange granting the approval for the [REDACTED] of, and permission to [REDACTED] in, the Shares in issue and Shares to be allotted and issued pursuant to the [REDACTED] and the [REDACTED] and Shares to be issued as mentioned in this document (including any additional Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] and any options

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which may be granted under the [REDACTED] Share Scheme); (bb) the [REDACTED] having been duly determined; and (cc) the obligations of the [REDACTED] under the [REDACTED] becoming unconditional and not being terminated in accordance with the terms of such agreement (or any conditions as specified in this document), in each case on or before the dates and times specified in the [REDACTED]:

- (i) the [REDACTED] was approved and our Directors were authorized to allot and issue the [REDACTED] pursuant to the [REDACTED];
- (ii) the [REDACTED] was approved and our Directors were authorized to allot and issue Shares upon the exercise of the [REDACTED];
- (iii) the rules of the [REDACTED] Share Scheme, the principal terms of which are set out in “—D. [REDACTED] Share Scheme” below in this appendix, were approved and adopted and our Directors were authorized, at their absolute discretion, to grant options to [REDACTED] for Shares thereunder and to allot, issue and [REDACTED] with Shares pursuant to the exercise of options granted under the [REDACTED] Share Scheme;
- (iv) conditional on the share premium account of our Company being credited as a result of the issue of the [REDACTED] by our Company pursuant to the [REDACTED], our Directors were authorized to [REDACTED] US\$[REDACTED] standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par a total of [REDACTED] Shares for allotment and issue to holders of Shares whose names appear on the register of members of our Company on the date of passing these resolutions in proportion (as near as possible without involving fractions so that no fraction of a share shall be allotted and issued) to their then existing respective shareholdings in our Company;
- (v) a general unconditional mandate was granted to our Directors to allot, issue and [REDACTED] with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be allotted and issued), otherwise than pursuant to a rights issue or pursuant to any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or pursuant to a specific authority granted by the Shareholders in general meeting, unissued Shares not exceeding the aggregate of 20% of the number of issued Shares immediately following the completion of the [REDACTED] and the [REDACTED] (but taking no account of any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] or any options which may be granted under the [REDACTED] Share Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period

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within which the next annual general meeting of our Company is required by the Articles of Association or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first;

- (vi) a general unconditional mandate was granted to our Directors authorizing them to exercise all powers of our Company to buy back on the Stock Exchange or on any other approved stock exchange on which the securities of our Company may be [REDACTED] and which is recognized by the SFC and the Stock Exchange for this purpose such number of Shares as will represent up to 10% of the number of issued Shares immediately following the completion of the [REDACTED] and the [REDACTED] (but taking no account of any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] or any options which may be granted under the [REDACTED] Share Scheme), such mandate to remain in effect until 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 of Association or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first; and
- (vii) the general unconditional mandate mentioned in paragraph (v) above was extended by the addition to the number of issued Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the total number of issued Shares bought back by our Company pursuant to the mandate to buy back Shares referred to in paragraph (vi) above.

### 5. Reorganization

In preparation for the [REDACTED], the companies comprising our Group underwent the Reorganization and our Company became the holding company of our Group. For further details of the Reorganization, see “History, Reorganization and Corporate Structure—Reorganization.”

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

This section includes information required by the Stock Exchange to be included in this document concerning the buyback 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.

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*(i) Shareholders’ approval*

The Listing Rules provide that all proposed buybacks 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 of its shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

*Note:* Pursuant to the written resolutions passed by our Shareholders on August 23, 2023, a general unconditional mandate (the “**Buyback Mandate**”) was granted to our Directors authorizing the buyback of shares by our Company on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be [REDACTED] and which is recognized by the SFC and the Stock Exchange for this purpose, with the total number of Shares not exceeding 10% of the total number of Shares in issue and to be issued as mentioned herein, at any time until the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by an applicable law or the Articles to be held or when such mandate is revoked or varied by an ordinary resolution of our Shareholders in general meeting, whichever occurs first.

*(ii) Source of funds*

Buybacks must be funded out of funds legally available for the purpose in accordance with the Memorandum and the Articles, the Listing Rules and the Cayman Companies Act. A listed company may not buy back its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

*(iii) Core connected persons*

The Listing Rules prohibit our Company from knowingly buying back the 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 a close associate of any of them and a core connected person shall not knowingly sell his/her/its Shares to our Company.

*(b) Reasons for buybacks*

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

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*(c) Funding of buyback*

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

It is presently proposed that any buyback of Shares will be made out of the profits of our Company, the share premium amount of our Company or the proceeds of a fresh issue of Shares made for the purpose of the buyback and, in the case of any premium payable on the purchase over the par value of the Shares to be bought back must be provided for, out of either or both of the profits of our Company or from sums standing to the credit of the share premium account of our Company. Subject to the Cayman Companies Act, a buyback of Shares may also be paid out of capital.

On the basis of the current financial position of our Group as disclosed in "Financial Information" in this document and taking into account the current working capital position of our Company, our Directors consider that, if the Buyback Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Group as compared to the position disclosed in this document. However, our Directors do not propose to exercise the Buyback Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of our Group which in the opinion of our Directors are from time to time appropriate for our Group.

*(d) Share capital*

The exercise in full of the Buyback Mandate, on the basis of [REDACTED] Shares in issue immediately after the [REDACTED] (but not taking into account of any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] or any options that may be granted under the [REDACTED] Share Scheme), would result in up to [REDACTED] Shares being bought back by our Company during the period until:

- (i) the conclusion of the next annual general meeting of our Company;
- (ii) the expiration of the period within which the next annual general meeting of our Company is required by any applicable law or the Articles to be held; or
- (iii) the date on which the Buyback Mandate is revoked or varied by an ordinary resolution of our Shareholders in general meeting, whichever occurs first.



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### *(e) General*

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

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

If as a result of a buyback of Shares pursuant to the Buyback 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 Codes on Takeovers and Mergers and Share Buy-backs (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. Save as disclosed in this section, our Directors are not aware of any consequence that would arise under the Takeovers Code as a result of a buyback pursuant to the Buyback Mandate. Our Directors have no present intention to exercise the power to buy back Shares to such extent.

If the Buyback Mandate is fully exercised immediately following the completion of the [REDACTED] and the [REDACTED] (but not taking into account any Shares which may be issued pursuant to the exercise of the [REDACTED] or any options that may be granted under the [REDACTED] Share Scheme), the total number of Shares which will be bought back pursuant to the Buyback Mandate will be [REDACTED] Shares, being 10% of the total number of Shares based on the aforesaid assumptions. The percentage of total number of issued Shares in which our Controlling Shareholders are interested will be increased to approximately [REDACTED]% of the issued share capital of our Company immediately following the full exercise of the Buyback Mandate. Any buyback of Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of our Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the [REDACTED] under Rule 8.08 of the Listing Rules. However, our Directors have no present intention to exercise the Buyback Mandate to such an extent that, in the circumstances, there is insufficient [REDACTED] as prescribed under the Listing Rules.

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



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### B. FURTHER INFORMATION ABOUT OUR BUSINESS

#### 1. Summary of material contracts

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

- (a) an equity transfer agreement (股權轉讓協議) dated December 20, 2021 entered into among Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司), Mr. Zhu Dong (朱東), Ms. Tang Lili (唐麗麗) and Jiangsu Xinboya International Logistics Co., Ltd. (江蘇鑫博亞國際物流有限公司), pursuant to which Shandong Lcang International Logistics Inc. Corp. Ltd agreed to transfer 18% and 18% of equity interest in Jiangsu Xinboya International Logistics Co., Ltd. (江蘇鑫博亞國際物流有限公司) to Mr. Zhu Dong and Ms. Tang Lili, at a consideration of RMB2,700,000 and RMB2,700,000, respectively;
- (b) an equity transfer agreement dated December 28, 2021 entered into between SKYFIELD DRAGON LTD. as transferor and BURNGROUP HOLDING CO., LIMITED (博亞集團控股(香港)有限公司) as transferee, pursuant to which SKYFIELD DRAGON LTD. agreed to transfer 10% equity interest in BAL QINGDAO SHIPPING ENTERPRISE CO., LIMITED to BURNGROUP HOLDING CO., LIMITED at a consideration of USD795,000;
- (c) an equity transfer agreement (股權轉讓協議) dated June 13, 2022 entered into among Ms. Wang Jianhua (王建華), Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) and Hainan Rongcang Supply Chain Co., Ltd. (海南融倉供應鏈有限公司), pursuant to which Ms. Wang Jianhua and Shandong Lcang International Logistics Inc. Corp. Ltd agreed to transfer 60% and 40% of equity interest in Shanghai Rongcang Supply Chain Co., Ltd. (上海融倉供應鏈有限公司) to Hainan Rongcang Supply Chain Co., Ltd. at nil consideration respectively;
- (d) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Mr. Fu Dazheng (傅達正) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Mr. Fu agreed to transfer 390,000 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB594,282;
- (e) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Ms. Liu Lin (劉琳) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Ms. Liu agreed to transfer 1,680,200 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB2,560,288.76;

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- (f) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Mr. Liu Yi (劉軼) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Mr. Liu agreed to transfer 2,116,907 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB3,225,742.89;
- (g) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Ms. Zhang Xinhe (張鑫鶴) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Ms. Zhang agreed to transfer 1,800,000 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB2,742,840;
- (h) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Mr. Dai Suohong (戴鎖洪) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Mr. Dai agreed to transfer 104,641 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB159,451.96;
- (i) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Ms. Yang Jie (楊潔) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Ms. Yang agreed to transfer 319,000 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB486,092.2;
- (j) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Ms. Wang Wang (汪汪) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Ms. Wang agreed to transfer 937,500 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB1,428,562.5;
- (k) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Ms. Fan Fenglan (范風蘭) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Ms. Fan agreed to transfer 1,054,000 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB1,606,085.2;

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- (l) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Mr. Zheng Dan (鄭丹) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Mr. Zheng agreed to transfer 1,220,000 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB1,859,036;
- (m) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Mr. Chen Xin (陳鑫) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Mr. Chen agreed to transfer 900,000 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB1,371,420;
- (n) a share transfer agreement (股份轉讓協議) dated June 20, 2022 entered into between Mr. Huang Jicheng (黃繼承) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Mr. Huang agreed to transfer 2,000,000 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB3,047,600;
- (o) a share transfer agreement with a deferred closing date (附時間期限的股份轉讓協議) dated August 5, 2022 entered into between Mr. Xu Xin (許昕) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Mr. Xu Xin agreed to transfer 6,373,171 shares in Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB9,711,437.97;
- (p) a voting rights entrustment agreement (表決權委託協議) dated August 5, 2022 entered into between Mr. Xu Xin (許昕) and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司), pursuant to which Mr. Xu Xin agreed to irrevocably entrust Shandong Lcang Enterprise Management Service Co., Ltd. to exercise voting rights as a shareholder of 6,373,171 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) exclusively, discretionarily and at nil consideration;
- (q) an income rights transfer agreement (收益權歸屬協議) dated August 5, 2022 entered into between Mr. Xu Xin (許昕) and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司), pursuant to which Mr. Xu Xin agreed to irrevocably transfer the corresponding rights to dividends, income rights and other economic and property interests of 6,373,171 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd;

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- (r) a share transfer agreement (股份轉讓協議) dated August 5, 2022 entered into between Qingdao Jiliang Enterprise Management Consulting Co., Ltd. (青島集諒企業管理諮詢有限公司) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Qingdao Jiliang Enterprise Management Consulting Co., Ltd. agreed to transfer 12,820,300 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB19,535,573.10;
- (s) a share transfer agreement (股份轉讓協議) dated August 5, 2022 entered into between Qingdao Bo'an Enterprise Management Consulting Partnership (Limited Partnership) (青島博安企業管理諮詢合夥企業(有限合夥)) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Qingdao Bo'an Enterprise Management Consulting Partnership (Limited Partnership) agreed to transfer 5,145,000 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB7,839,951;
- (t) a share transfer agreement (股份轉讓協議) dated August 5, 2022 entered into between Ms. Liu Quanxiang (劉泉香) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Ms. Liu agreed to transfer 2,087,078 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB3,180,289.46;
- (u) a share transfer agreement (股份轉讓協議) dated August 5, 2022 entered into between Ms. Lv Guizhen (呂桂珍) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Ms. Lv agreed to transfer 1,933,700 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB2,946,572.06;
- (v) a share transfer agreement (股份轉讓協議) dated August 5, 2022 entered into between Ms. Xu Xiaoling (許曉玲) as transferor and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) as transferee, pursuant to which Ms. Xu agreed to transfer 1,283,025 shares of Shandong Lcang International Logistics Inc. Corp. Ltd (山東樂艙網國際物流股份有限公司) to Shandong Lcang Enterprise Management Service Co., Ltd. at a consideration of RMB1,955,073.5;

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- (w) a capital increase agreement (增資協議) dated August 22, 2022 entered into between Qingdao Lcang Technology Co., Ltd. (青島樂艙科技有限公司) and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司), pursuant to which Qingdao Lcang Technology Co., Ltd. agreed to inject RMB50,000,000, of which RMB940,000 contributed as the registered capital of Shandong Lcang Enterprise Management Service Co., Ltd. and RMB49,060,000 contributed as the capital reserve of Shandong Lcang Enterprise Management Service Co., Ltd.;
- (x) a capital increase agreement (增資協議) dated September 26, 2022 entered into among Qingdao Lcang Technology Co., Ltd. (青島樂艙科技有限公司), PCW (Hong Kong) International Limited and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司), pursuant to which PCW (Hong Kong) International Limited agreed to inject RMB8,132,808 to acquire 1% of the equity interest in Shandong Lcang Enterprise Management Service Co., Ltd.;
- (y) a share swap agreement dated October 7, 2022 entered into between PCW Limited and LC Logistics, Inc. (乐艙物流股份有限公司), pursuant to which PCW Limited agreed to transfer 100% issued share capital of PCW Investment Limited to LC Logistics, Inc. in exchange of 426,004 shares of LC Logistics, Inc. as consideration;
- (z) a capital increase agreement (增資協議) dated October 9, 2022 entered into among Qingdao Lcang Technology Co., Ltd. (青島樂艙科技有限公司), PCW (Hong Kong) International Limited, Lcang (Qingdao) Logistics Supply Chain Co., Ltd. (樂艙(青島)物流供應鏈有限公司) and Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司), pursuant to which Lcang (Qingdao) Logistics Supply Chain Co., Ltd. agreed to inject RMB80,000,000 to acquire 93.02% of the equity interest in Shandong Lcang Enterprise Management Service Co., Ltd.;
- (aa) an equity transfer agreement (股權轉讓協議) dated October 10, 2022 entered into between Qingdao Lcang Technology Co., Ltd. (青島樂艙科技有限公司) as transferor and Lcang (Qingdao) Logistics Supply Chain Co., Ltd. (樂艙(青島)物流供應鏈有限公司) as transferee, pursuant to which Qingdao Lcang Technology Co., Ltd. agreed to transfer 6.91% equity interest in Shandong Lcang Enterprise Management Service Co., Ltd. (山東樂艙企業管理服務有限公司) to Lcang (Qingdao) Logistics Supply Chain Co., Ltd. at a consideration of RMB62,287,680.30;
- (bb) the Deed of Indemnity; and
- (cc) the [REDACTED].



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**2. Intellectual property rights of our Group**

*(a) Trademarks*

As of the Latest Practicable Date, our Group had registered the following trademarks which, in the opinion of our Directors, are material to our business:

No.	Trademark	Registration number	Class	Registered proprietor	Place of registration	Date of registration	Date of Expiry
1		23236812	39	Shandong Lcang	PRC	March 14, 2018	March 13, 2028
2		20139796	39	Shanghai Hanyun	PRC	July 21, 2017	July 20, 2027
3		20139795	36	Shanghai Hanyun	PRC	July 21, 2017	July 20, 2027
4		20139794	35	Shanghai Hanyun	PRC	July 21, 2017	July 20, 2027
5		20139793	42	Shanghai Hanyun	PRC	July 21, 2017	July 20, 2027
6		20139762	35	Shanghai Hanyun	PRC	July 21, 2017	July 20, 2027
7		17364145	42	Shanghai Hanyun	PRC	August 14, 2016	August 13, 2026
8		17363988	39	Shanghai Hanyun	PRC	September 7, 2016	September 6, 2026
9		17363704	36	Shanghai Hanyun	PRC	September 7, 2016	September 6, 2026
10		17363569	35	Shanghai Hanyun	PRC	August 14, 2016	August 13, 2026
11		68183754	36	Shanghai Hanyun	PRC	May 7, 2023	May 6, 2033
12		68183791	42	Shanghai Hanyun	PRC	May 7, 2023	May 6, 2033
13		68184902	12	Shanghai Hanyun	PRC	May 7, 2023	May 6, 2033
14		68184941	37	Shanghai Hanyun	PRC	May 7, 2023	May 6, 2033
15		68190480	7	Shanghai Hanyun	PRC	May 7, 2023	May 6, 2033
16		68183772	39	Shanghai Hanyun	PRC	May 7, 2023	May 6, 2033
17		68190536	37	Shanghai Hanyun	PRC	May 7, 2023	May 6, 2033
18		68193282	6	Shanghai Hanyun	PRC	May 7, 2023	May 6, 2033

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No.	Trademark	Registration number	Class	Registered proprietor	Place of registration	Date of registration	Date of Expiry
19		68196896	26	Shanghai Hanyun	PRC	May 7, 2023	May 6, 2033
20		68198013	12	Shanghai Hanyun	PRC	May 14, 2023	May 13, 2033
21		68175174	42	Shanghai Hanyun	PRC	July 14, 2023	July 13, 2033
22		68181314	9	Shanghai Hanyun	PRC	July 14, 2023	July 13, 2033
23		68193305	7	Shanghai Hanyun	PRC	July 14, 2023	July 13, 2033
24		306082821	35&39	Company	Hong Kong	October 14, 2022	October 13, 2032
25	  	306082830	35&39	Company	Hong Kong	October 14, 2022	October 13, 2032

**(b) Patents**

As of the Latest Practicable Date, our Group had registered the following patent which, in the opinion of our Directors, is material to our business:

No.	Patent	Type	Patent number	Registered proprietor	Place of registration	Date of registration	Validity period
1	A fast locking and unlocking device for marine containers (一種船用集裝箱快速鎖定與解鎖裝置)	Utility Model Patent (實用新型)	ZL201920207926.6	Qingdao Boya	PRC	November 29, 2019	February 19, 2019 to February 18, 2029



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**(c) Copyrights**

As of the Latest Practicable Date, our Group had registered the following copyrights which, in the opinion of our Directors, are material to our business:

No.	Copyright	Type	Registration number	Registered proprietor	Place of registration	Date of registration
1	Shipping Logistics Freightage Management System V1.0 (海運物流運價管理系統V1.0)	Computer software copyright	2018SR564269	Shandong Lcang	PRC	July 18, 2018
2	Vessel Company Shipping Management System V1.0 (船公司船務管理系統V1.0)	Computer software copyright	2018SR559201	Shandong Lcang	PRC	July 17, 2018
3	Foreign Trade Company Business Management System V1.0 (外貿公司業務管理系統V1.0)	Computer software copyright	2018SR559288	Shandong Lcang	PRC	July 17, 2018
4	Vessel Company Container Management System V1.0 (船公司箱務管理系統V1.0)	Computer software copyright	2018SR558865	Shandong Lcang	PRC	July 17, 2018
5	WeChat-based Shipping Logistics Sales Service System V1.0 (基於微信小程序海運物流銷售服務系統V1.0)	Computer software copyright	2019SR1106534	Shanghai Hanyun	PRC	October 31, 2019
6	WeChat-based Direct Sales Service System For Shipping Logistics V1.0 (基於微信小程序海運物流直客服務系統V1.0)	Computer software copyright	2019SR1106809	Shanghai Hanyun	PRC	October 31, 2019
7	Hanyun Lcang Freight Forwarder Operation SAAS Management Software abbreviated as: Lcang.com Freight Forwarder Operation System V1.0 (涵運樂艙貨代操作SAAS管理軟件[簡稱:樂艙網貨代操作系統]V1.0)	Computer software copyright	2016SR084345	Shanghai Hanyun	PRC	April 22, 2016
8	Intelligent Logistics Online Order Taking and Operation System V1.0 (智慧物流線上接單運營系統V1.0)	Computer software copyright	2020SR1664676	Shanghai Hanyun	PRC	November 27, 2020

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No.	Copyright	Type	Registration number	Registered proprietor	Place of registration	Date of registration
9	Lcang.com Vessel Company Online Booking System V1.0 (樂艙網船公司在線訂艙系統 V1.0)	Computer software copyright	2021SR1977217	Shanghai Hanyun	PRC	December 2, 2021
10	Lcang.com AI-based Automatic Billing System V1.0 (樂艙網基於AI技術自動錄單系統 V1.0)	Computer software copyright	2021SR1994678	Shanghai Hanyun	PRC	December 3, 2021
11	Lcang.com Vessel Company ACI, AMS, ENS Cargo Manifest Reporting System V1.0 (樂艙網船公司ACI、AMS、ENS艙單申報系統 V1.0)	Computer software copyright	2021SR1979800	Shanghai Hanyun	PRC	December 2, 2021
12	Lcang.com Vessel Company Container Tracking System V1.0 (樂艙網船公司集裝箱跟蹤系統V1.0)	Computer software copyright	2021SR1987365	Shanghai Hanyun	PRC	December 3, 2021
13	Lcang.com Vessel Company Booking, Cargo Manifest, SI Data Interface System V1.0 (樂艙網船公司訂艙、艙單、SI數據接口系統V1.0)	Computer software copyright	2021SR1987364	Shanghai Hanyun	PRC	December 3, 2021

**(d) Domain names**

As of the Latest Practicable Date, our Group had registered the following domain names which, in the opinion of our Directors, are material to our business:

No.	Domain Name	Registered Proprietor	Date of Registration	Date of Expiry
1	burnasia.cn	Shandong Lcang	October 26, 2005	October 26, 2024
2	bal.cn	Shandong Lcang	July 10, 2006	July 10, 2030
3	lcang.com	Shanghai Hanyun	February 18, 2014	February 19, 2024
4	lclog.cn	Shanghai Hanyun	October 20, 2022	October 20, 2025
5	lclog.net	Shanghai Hanyun	October 20, 2022	October 20, 2025
6	sijin.com	Shanghai Sijin	November 26, 1999	November 26, 2025
7	lcang56.cn	Zhangjiagang Lechang	December 19, 2018	December 19, 2024

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

**1. Directors**

*(a) Disclosure of Interests – Interests and short positions of the Directors and the chief executive of our Company in the Shares, underlying Shares and debentures of our Company and its associated corporations*

Immediately following the completion of the [REDACTED] and assuming that the [REDACTED] is not exercised, the interests or short positions of our Directors or chief executive of our Company in the shares, underlying shares and debentures of our Company or 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 therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to our Company and the Stock Exchange, once our Shares are [REDACTED], will be as follows:

*(i) Interest in our Company*

<u>Name of Director</u>	<u>Nature of interest</u>	<u>Number of Shares interested<sup>(1)</sup></u>	<u>Approximate percentage of interest</u>
Mr. Xu <sup>(2)(3)(4)(5)(7)(8)</sup>	Interest in controlled corporations	[REDACTED] Shares (L)	[REDACTED]%
	Interest of spouse	[REDACTED] Shares (L)	[REDACTED]%
Ms. Li <sup>(2)(3)(4)(5)(6)(7)</sup>	Interest in a controlled corporation	[REDACTED] Shares (L)	[REDACTED]%
	Interest of spouse	[REDACTED] Shares (L)	[REDACTED]%

*Notes:*

- (1) The letter “L” denotes the person’s long position in our Shares.
- (2) Ms. Li is the spouse of Mr. Xu. By virtue of the SFO, Mr. Xu and Ms. Li are deemed to be interested in the Shares held by each other is interested.
- (3) Pursuant to the Acting in Concert Deed, each of Mr. Xu. Ms. Li and Ms. Liu had agreed and confirmed, among other things, that from the date they became the registered owners and/or beneficial owners of the equity interests in our Group to the date when any of them ceases to be our Controlling Shareholder: (a) they had been and would continue to be parties acting in concert and they had agreed to consult with each other and reach a unanimous consensus among

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themselves before the decision, implementation and agreement on all material management affairs, votings and/or commercial decisions, including but not limited to financial and operational matters, of any member of our Group; (b) they had casted and would continue to cast their votes as directors and/or shareholders (as the case may be) unanimously for or against all resolutions in all board and shareholders’ meetings and discussions of any member of our Group; and (c) they had cooperated and would continue to cooperate with one another to acquire, maintain and consolidate the control and management of our Group. See “Relationship with Our Controlling Shareholders—Acting in Concert Deed.” By virtue of the SFO, each of our ultimate Controlling Shareholders together with investment holding companies held or controlled by them (being Lecang Boundless, Lecang Fantasy, Grand Sailing, Lecang Altitude, Peace Seaworld, Lecang Shining, Spring Wealth, Lecang Flourishing and Glorious Sailing) are all deemed to be interested in the total Shares directly held by Lecang Fantasy, Lecang Altitude, Lecang Shining, Lecang Flourishing and Glorious Sailing.

- (4) Lecang Fantasy is wholly owned by Lecang Boundless, which is in turn wholly owned by Mr. Xu. By virtue of the SFO, each of Mr. Xu and Lecang Boundless is deemed to be interested in the Shares held by Lecang Fantasy.
- (5) Lecang Altitude is wholly owned by Grand Sailing, which is in turn wholly owned by Mr. Xu. Accordingly, Mr. Xu is deemed under the SFO to be interested in the Shares directly held by Lecang Altitude.
- (6) Lecang Shining is wholly owned by Peace Seaworld, which is in turn wholly owned by Ms. Li. Accordingly, Ms. Li is deemed under the SFO to be interested in the Shares directly held by Lecang Shining.
- (7) Lecang Flourishing is wholly owned by Spring Wealth, which is in turn wholly owned by Ms. Liu. Accordingly, each of Ms. Liu and Spring Wealth is deemed under the SFO to be interested in the Shares directly held by Lecang Flourishing.
- (8) Glorious Sailing is owned as to approximately 79.53% by Mr. Xu (our Controlling Shareholder and executive Director), 4.96% by Ms. Zhu Jiali (朱佳麗) (our executive Director), 3.97% by Mr. Zhang Feng (張峰) (our senior management member), 0.50% by Ms. Ding Sujun (丁素君) (our joint company secretary) and 11.04% by other 10 existing employees, each of whom is an Independent Third Party. By virtue of the SFO, Mr. Xu is deemed to be interested in the Shares held by Glorious Sailing.

### *(b) Particulars of service agreements and letters of appointment*

Each of our executive Directors [has entered] into a service agreement with our Company for a term of three years commencing from the [REDACTED], which may be terminated by not less than three months’ notice in writing served by either party on the other.

Each of our independent non-executive Directors [has entered] into a letter of appointment with our Company for a term of three years commencing from the [REDACTED], which may be terminated by not less than three months’ notice in writing served by either party on the other.

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### *(c) Directors’ remuneration*

During the three years ended December 31, 2022 and the four months ended April 30, 2023, the aggregate remuneration (including fees, salaries, allowances and benefits in kind, performance-related bonuses and pension scheme contributions and social welfare) paid or payable to our Directors was approximately RMB1,007,000, RMB2,496,000, RMB3,705,000 and RMB917,000, respectively. For details, see Note 8 to the Accountants’ Report in Appendix I to this document.

Under the arrangement currently in force, the aggregate remuneration (including salaries, allowances and benefits in kind, performance-related bonuses and pension scheme contributions and social welfare) of our Directors for the year ending December 31, 2023 is estimated to be no more than RMB2.88 million.

## 2. Substantial Shareholders

### *(a) Interest of the substantial Shareholders in the Shares*

Save as disclosed in “Substantial Shareholders” in this document, so far as our Directors are aware, immediately following the completion of the [REDACTED] assuming that the [REDACTED] is not exercised, no person (other than our Directors and chief executives of our Company) will have or be deemed or taken to have an interest and/or short position in our Shares or the underlying Shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 10% or more of the issued voting shares of any member of our Group.

### *(b) Interest in other members of our Group*

As of the Latest Practicable Date, so far as our Directors are aware, the following persons (other than our Directors or chief executive officer of our Company) were entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of other members of our Group:

<u>Name of member of our Group</u>	<u>Name of Shareholder</u>	<u>Percentage of equity interest</u>
Shanghai Sijin	Mr. Fu Dazheng (傅達正)	13.75%
Shanghai Sijin	Mr. Hong Yan (洪研)	11.25%
Qingdao Wanhao	Qingdao Hongyi Enterprise Management Partnership (Limited Partnership) (青島弘毅企業管理合夥企業(有限合夥))	49.00%
LC Western	WESTERN POST (US) INC.	20.00%

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### 3. Agency fees or commissions received

Save as disclosed in “[REDACTED] and Expenses”, no commissions, discounts, brokerages or other special terms were granted in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this document.

### 4. Disclaimers

Save as disclosed in this document:

- (a) none of our Directors or chief executive of our Company has any interest or short position in our shares, underlying shares or debentures of our Company or any of its associated corporation (within the meaning 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 or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers once our Shares are [REDACTED];
- (b) none of our Directors or experts referred to under “—E. Other information—8. Qualifications and consents of experts” below 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 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 is materially interested in any contract or arrangement subsisting at the date of this 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 contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));
- (e) taking no account of Shares which may be taken up under the [REDACTED], none of our Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following the completion of the [REDACTED] and the [REDACTED] and assuming that the [REDACTED] is not exercised, have an interest or short position in our Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the issued voting shares of any member of our Group; and

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- (f) so far as is known to our Directors as of the Latest Practicable Date, none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders of our Company who are interested in more than 5% of the total number of issued Shares has any interests in the five largest customers or the five largest suppliers of our Group.

### D. [REDACTED] SHARE SCHEME

The following is a summary of the principal terms of the [REDACTED] Share Scheme conditionally adopted by our Company pursuant to the written resolutions of our then Shareholders passed on August 23, 2023.

#### (a) Purpose of the [REDACTED] Share Scheme

The [REDACTED] Share Scheme is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules and is established to recognize and acknowledge the contributions that the Eligible Participants (as defined in paragraph (b) below) had or may have made to our Group. The [REDACTED] Share Scheme will provide the Eligible Participants an opportunity to have a personal stake in our Company with the view to achieving the following objectives:

- (i) motivate the Eligible Participants to optimize their performance efficiency for the benefit of our Group; and
- (ii) attract and retain or otherwise maintain an on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of our Group.

#### (b) Eligible participants of the [REDACTED] Share Scheme

Our Board may, at its discretion, offer to grant an option to any director and employee of our Company or any of our subsidiaries (including persons who are granted options under the [REDACTED] Share Scheme as an inducement to enter into employment contracts with our Company and/or any of our subsidiaries) (collectively the “**Eligible Participants**”) to subscribe for such number of new Shares as our Board may determine at an exercise price determined in accordance with paragraph (f) below.

Upon acceptance of the option, the grantee shall pay HK\$1.00 to our Company by way of consideration for the grant.

#### (c) Acceptance of an offer of options

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting 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 thereof, is received by our Company on or before the relevant



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acceptance date. Such remittance or payment shall in no circumstances be refundable. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

Subject to paragraphs (l), (m), (n), (o) and (p), an option shall be exercised in whole or in part and, other than where it is exercised to the full extent outstanding, shall be exercised in integral multiples of such number of Shares as shall represent one board lot for dealing in Shares on the Stock Exchange for the time being, by the grantee by giving notice in writing to our Company stating that the option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance or payment for the full amount of the exercise price for our Shares in respect of which the notice is given. Within 21 days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the auditors to our Company or the approved independent financial advisor as the case may be pursuant to paragraph (r), our Company shall allot and issue the relevant number of Shares to the grantee credited as fully paid and issue to the grantee certificates in respect of our Shares so allotted.

The exercise of any option shall be subject to our Shareholders in general meeting approving any necessary increase in the authorized share capital of our Company.

The vesting period of any options shall not be less than 12 months. Options may be subject to a shorter vesting period under any of the following circumstances:

- (a) where the options are granted in assumption of, or in substitution or exchange for, an award previously granted, or the right or obligation to make a future award, in all cases by a company acquired by our Company or any of our subsidiary or with which our Company or any of our subsidiary combines;
- (b) where the Shares to be issued upon the exercise of such options are subject to a minimum holding period of not less than 12 months and are delivered to an Eligible Participant under his/her compensation arrangements with our Company, including Shares delivered to a non-employee director in respect of such non-employee director's annual retainer;
- (c) where the options are sign-on or make-whole grants to new Eligible Participants;
- (d) where the options are subject to performance-based vesting conditions;
- (e) where the options are granted in batches for administrative or compliance reasons;
- (f) where the options shall vest evenly over a period of 12 months or more;

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- (g) where the options are subject to a total vesting and holding period of more than 12 months; or
- (h) in cases of retirement, separation, retention arrangements, death, disability or a change in control of our Company, our Board may accelerate the vesting of the options at its sole discretion.

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

The maximum number of Shares in respect of which options may be granted under the [REDACTED] Share Scheme and under any other share schemes of our Company must not in aggregate exceed 10% ("**Scheme Limit**") of the total number of Shares in issue immediately following the completion of the [REDACTED], being [REDACTED] Shares (assuming that the [REDACTED] is not exercised). As of the date of grant of any options under the [REDACTED] Share Scheme, the maximum number of Shares in respect of which options may be granted is such number of Shares less the aggregate of the following:

- (i) the number of Shares which would be issued on the exercise in full of the options under the [REDACTED] Share Scheme or under any other share schemes of our Company but not canceled or exercised;
- (ii) the number of Shares which have been issued and allotted pursuant to the exercise of any options under the [REDACTED] Share Scheme or under any other share schemes of our Company or any awards granted under any other share schemes of our Company; and
- (iii) the number of those Shares which were the subject of options which had been granted and accepted under the [REDACTED] Share Scheme and any other share schemes of our Company but subsequently canceled.

Subject to the approval of our Shareholders in general meeting in compliance with Rules 17.03C(1) and 17.03C(2) of the Listing Rules and/or such other requirements prescribed under the Listing Rules from time to time, our Board may refresh the Scheme Limit from time to time to 10% of the number of Shares in issue ("**New Scheme Limit**") as of the date of the approval by our Shareholders in general meeting ("**New Approval Date**"). Any refreshment within any three year period from the date of our Shareholders' approval for the last refreshment (or the adoption of the [REDACTED] Share Scheme) must be approved by our Shareholders subject to the following provisions:

- (i) any controlling shareholders and their associates (or if there is no controlling shareholder, directors (excluding independent non-executive directors) and the chief executive of our Company and their respective associates) abstaining from voting in favor of the relevant resolution at the general meeting of our Company; and

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- (ii) our Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules,

and thereafter, as of the date of grant of any options under the [REDACTED] Share Scheme, the maximum number of Shares in respect of which options may be granted is the New Scheme Limit less the aggregate of the following:

- (i) the number of Shares which would be issued on the exercise in full of the options under the [REDACTED] Share Scheme or under any other share schemes of our Company granted on or after the New Approval Date but not canceled or exercised;
- (ii) the number of Shares which have been issued and allotted pursuant to the exercise of any options under the [REDACTED] Share Scheme or under any other share schemes of our Company or any awards granted under any other share schemes of our Company granted on or after the New Approval Date; and
- (iii) the number of those Shares which were the subject of options which had been granted on or after the New Approval Date and accepted under the [REDACTED] Share Scheme and any other share schemes of our Company but subsequently canceled.

Subject to the approval of our Shareholders in general meeting in compliance with Rule 17.03C(3) of the Listing Rules and/or such other requirements as prescribed under the Listing Rules from time to time, our Board may grant options exceeding the Scheme Limit to Eligible Participants specifically identified by our Board.

The Scheme Limit shall be adjusted, in such manner as the auditors of our Company or an approved independent financial advisor shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of our Company in accordance with paragraph (r) below whether by way of capitalization issue, rights issue, sub-division or consolidation of shares or reduction of the share capital of our Company.

### **(e) Maximum number of options to any one individual**

Our Board shall, subject to and in accordance with the provisions of the [REDACTED] Share Scheme and the Listing Rules, be entitled to but shall not be bound, at any time on any business day during the Scheme Period (as defined in paragraph (j) below) offer to grant an option to any Eligible Participant whom our Board may in its absolute discretion select and subject to such conditions (including, without limitation, the vesting period and/or any performance targets as assessed in accordance with the Performance Measures (as defined in paragraph (k) below) during a specified performance period which must be achieved before an option can be exercised) as it may think fit.

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If our Board determines to offer options under the [REDACTED] Share Scheme to an Eligible Participant which, when aggregated with any Shares issued or to be issued in respect of all options or awards granted to that person (excluding any options or awards lapsed in accordance with the terms of the relevant schemes) under the [REDACTED] Share Scheme and the other share schemes of our Company in any 12-month period up to and including the date of such offer, exceed 1% of the number of Shares in issue on the Offer Date:

- (i) the grant shall be subject to (a) the issue of a circular by our Company to our Shareholders which shall comply with Rules 17.03D and 17.06 of the Listing Rules and/or such other requirements as prescribed under the Listing Rules from time to time; and (b) the approval of our Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his/her close associates (or his/her associates if the Eligible Participant is a connected person) abstaining from voting; and
- (ii) unless provided otherwise in the Listing Rules, the date of the Board meeting at which our Board resolves to grant the proposed options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of our Shares.

Our Board shall forward to such Eligible Participant an offer document in such form as our Board may from time to time determine (or, alternatively, documents accompanying the offer document which state), among others:

- (aa) the Eligible Participant's name, address and occupation;
- (bb) the date on which an option is offered to an Eligible Participant which must be a business day;
- (cc) the date upon which an offer for an option must be accepted;
- (dd) the date upon which an option is deemed to be granted and accepted in accordance with paragraph (c);
- (ee) the number of Shares in respect of which the option is offered;
- (ff) the subscription price and the manner of payment of such price for our Shares on and in consequence of the exercise of the option;
- (gg) the date of the notice given by the grantee in respect of the exercise of the option;
- (hh) the method of acceptance of the option which shall, unless our Board otherwise determines, be as set out in paragraph (c); and

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- (ii) such other terms and conditions (including, without limitation, the vesting period and/or any performance targets as assessed in accordance with the Performance Measures (as defined in paragraph (k) below) during a specified performance period which must be achieved before the option can be exercised) relating to the offer of the option which in the opinion of our Board are fair and reasonable but not being inconsistent with the [REDACTED] Share Scheme and the Listing Rules.

### **(f) Price of Shares**

Subject to any adjustments made as described in paragraph (r) below, the subscription price of a Share in respect of any particular option granted under the [REDACTED] Share Scheme shall be such price as our Board in its absolute discretion shall determine, save that such price must be at least the higher of:

- (i) the closing price of our Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and
- (ii) the average closing price of our Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant.

### **(g) Granting options to a director, chief executive or substantial shareholder of our Company or any of their respective associates**

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of our Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options).

If our Board proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued in respect of all options and awards granted to such person under the [REDACTED] Share Scheme or the other share schemes of our Company (excluding any options and awards lapsed in accordance with the terms of such schemes) in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% or such other percentage as may be from time to time provided under the Listing Rules of our Shares in issue on the date of such grant, such further grant of options will be subject to, in addition to the abovementioned approval of the independent non-executive Directors, the approval of our Shareholders in general meeting in accordance with Rule 17.04(4) of the Listing Rules and/or such other requirements prescribed under the Listing Rules from time to time. Our Company must also send a circular to our Shareholders, which shall contain the following information:

- (i) the details of the number and terms (including the information required under Rules 17.03(5) to 17.03(10) and Rule 17.03(19) of the Listing Rules) of the options to be granted to each selected Eligible Participant, which must be fixed before our Shareholders' meeting, and the date of grant (which shall be the date of the Board meeting at which our Board proposes to grant the proposed options to that Eligible Participant);

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- (ii) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of our Company and our Shareholders as a whole, and their recommendation to the independent Shareholders as to voting;
- (iii) the information required under Rule 17.02(2)(c) of the Listing Rules; and
- (iv) the information required under Rule 2.17 of the Listing Rules.

### **(h) Restrictions on the time of grant of options**

A grant of options shall not be made after inside information has come to the knowledge of our Company until it has been published pursuant to the requirements of the Listing Rules and Part XIVA of the SFO. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our annual results or our results for half-year, quarterly or other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for our Company to publish an announcement of our annual results or our results for half-year, or quarterly or other interim period (whether or not required under the Listing Rules),

and ending on the date of actual publication of the results for such year, half-year, quarterly or interim period (as the case may be) and where an option is granted to a Director, no options shall be granted:

- (i) 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
- (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 the publication date of the results.

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### (i) Rights are personal to grantee

Save for a transfer to a vehicle (such as a trust or a private company) for the benefit of the grantee and any family members of such grantee (including for estate planning or tax planning purposes) that would continue to meet the purpose of the [REDACTED] Share Scheme and comply with other requirements of the Listing Rules, in which case a waiver must be obtained from the Stock Exchange, an option and offer to grant an option is personal to the grantee and shall not be transferrable or assignable. No grantee shall in any way 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/her or any offer relating to the grant of an option made to him/her or attempt so to do (save that the grantee may nominate a nominee in whose name our Shares issued pursuant to the [REDACTED] Share Scheme may be registered). Any breach of the foregoing shall entitle our Company to cancel any outstanding options or any part thereof granted to such grantee.

### (j) Time of exercise of option and duration of the [REDACTED] Share Scheme

An option may be exercised in accordance with the terms of the [REDACTED] Share Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by our Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the [REDACTED]. Subject to earlier termination by our Company in general meeting or by our Board, the [REDACTED] Share Scheme shall be valid and effective for a period of 10 years from the [REDACTED] (“Scheme Period”).

### (k) Performance target

A grantee may be required to achieve any performance targets as our Board may then specify in the grant before any options granted under the [REDACTED] Share Scheme can be exercised. The performance targets shall be assessed in accordance with any one or more of the following corporate-wide or subsidiary, division, operating unit, line of business, project, geographical or individual performance measures (“Performance Measures”) during a specified performance period: cash flow; earnings; earnings per share; market value added or economic value added; profits; return on assets; return on equity; return on investment; sales; revenue; Share price; total shareholder return; customer satisfaction metrics; and such other goals as our Board may determine from time to time. Each goal may be expressed on an absolute and/or relative basis, may be based on or otherwise employ comparisons based on internal targets, the past performance of our Company and/or the past or current performance of other companies, and in the case of earnings-based measures, may use or employ comparisons relating to capital, shareholders’ equity and/or shares outstanding, investments or to assets or net assets. Our Board may, in its sole discretion, amend or adjust the Performance Measures and establish any special rules and conditions to which the Performance Measures shall be subject at any time.



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### **(l) Rights on ceasing employment or death**

If the grantee of an option ceases to be an employee of our Company or any of our subsidiaries:

- (i) by any reason other than death, ill-health, injury, disability or termination of his/her employment on the grounds specified in paragraph (m) below, the grantee may exercise the option up to the entitlement of the grantee as of the date of cessation (to the extent not already exercised) within a period of one month from such cessation; or
- (ii) by reason of death, ill-health, injury or disability, his/her personal representative(s) may exercise the option within a period of 12 months from such cessation, which date shall be the last actual working day with our Company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse.

### **(m) Rights on dismissal**

If the grantee of an option ceases to be an employee of our Company or any of our subsidiaries on the grounds that he/she has been guilty of serious misconduct, or in relation to an employee of our Group (if so determined by our Board) on any other ground on which an employee would be entitled to terminate his/her employment at common law or pursuant to any applicable laws or under the grantee's service contract with our Group, or has been convicted of any criminal offense involving his/her integrity or honesty, his/her option will lapse and not be exercisable after the date of termination of his/her employment.

### **(n) Rights on takeover**

If a general offer is made to all our Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option period of the relevant option, the grantee of an option shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional.

### **(o) Rights on winding-up**

In the event a notice is given by our Company to our members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall forthwith give notice thereof to all grantees and thereupon, each grantee (or his/her legal personal representative(s)) shall be entitled to exercise all or any of his/her options (to the extent not already exercised) at any time not later than two business days prior to the proposed general meeting of our Company referred to above by giving notice in writing to our Company, accompanied by a remittance or payment for the full amount of the aggregate subscription price for our Shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid and register the grantee as holder thereof.

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**(p) Rights on compromise or arrangement between our Company and our members or creditors**

If a compromise or arrangement between our Company and our members or creditors is proposed for the purposes of a scheme for the reconstruction of our Company or its amalgamation with any other companies pursuant to the laws of jurisdictions in which our Company was incorporated, our Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme or arrangement and any grantee may by notice in writing to our Company accompanied by a remittance or payment for the full amount of the aggregate subscription price for our Shares in respect of which the notice is given (such notice to be received by our Company not later than two business days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and 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 meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise of the option credited as fully paid and register the grantee as holder thereof.

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. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of grantees to exercise their respective options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable as if such compromise or arrangement had not been proposed by our Company.

**(q) Ranking of Shares**

Our Shares to be allotted upon the exercise of an option will not carry voting, dividend or other rights until completion of the registration of the grantee (or any other person nominated by the grantee) as the holder thereof. Subject to the aforesaid, Shares to be allotted and issued upon the exercise of options, subject to the provisions of the articles of association of our Company, will carry the same right in all respects and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of issue and rights in respect of any dividend or other distributions paid or made on or after the date of issue. For the avoidance of doubt, Shares issued upon the exercise of an option shall not be entitled to any rights attaching to Shares by reference to a record date preceding the date of allotment.

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**(r) Effect of alterations to capital**

In the event of any alteration in the capital structure of our Company whilst any option may become or remains exercisable, whether by way of capitalization issue, rights issue, consolidation, sub-division or reduction of share capital of our Company, or otherwise howsoever, such corresponding alterations (if any) shall be made in the number of Shares subject to any outstanding options and/or the subscription price per Share of each outstanding option as the auditors of our Company or an 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 the same proportion of the equity capital of our Company (as interpreted in accordance with the supplementary guidance issued by the Stock Exchange on November 6, 2020 and any further guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time and/or such other requirement prescribed under the Listing Rules from time to time), rounded to the nearest whole Share, as that to which he/she was entitled to subscribe had he/she exercised all the options held by him/her 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 and that no such alterations shall be made if the effect of such alterations would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations. The capacity of the auditors of our Company or the approved independent financial advisor, as the case may be, in this paragraph is that of experts and not arbitrators and their certificate shall, in absence of manifest error, be final and conclusive and binding on our Company and the grantees.

**(s) Expiry of option**

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

- (i) the date of expiry of the option as may be determined by our Board;
- (ii) the expiry of any of the periods referred to in paragraphs (l), (m), (n), (o) or (p);
- (iii) the date on which the scheme of arrangement of our Company referred to in paragraph (p) becomes effective;
- (iv) subject to paragraph (o), the date of commencement of the winding-up of our Company;
- (v) the date on which the grantee ceases to be an Eligible Participant by reason of such grantee's resignation from the employment with our Company or any of our subsidiaries or the termination of his/her employment or contract on any one or more of the grounds that he/she has been guilty of serious misconduct, or has been

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convicted of any criminal offense involving his/her integrity or honesty, or in relation to an employee of our Group (if so determined by our Board), or has been insolvent, bankrupt or has made compositions with his creditors generally or any other ground on which an employee would be entitled to terminate his/her employment at common law or pursuant to any applicable laws or under the grantee's service contract with our Group. A resolution of our Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or

- (vi) the date on which our Board shall exercise our Company's right to cancel the option at any time after the grantee commits a breach of paragraph (i) above or the options are canceled in accordance with paragraph (u) below.

Save as provided above in this paragraph (s), no options or shares issued upon the exercise of any options under the [REDACTED] Share Scheme are subject to any clawback mechanism.

### **(t) Alteration of the [REDACTED] Share Scheme**

The [REDACTED] Share Scheme may be altered in any respect by resolution of our Board except that:

- (i) any change to the terms of options granted to a grantee must be approved by our Board, the Remuneration Committee, the independent non-executive Directors and/or our Shareholders (as the case may be) if the initial grant of the options was approved by our Board, the Remuneration Committee, the independent non-executive Directors and/or our Shareholders (as the case may be) (except any changes which take effect automatically under the terms of the [REDACTED] Share Scheme); and
- (ii) any alterations to the terms and conditions of the [REDACTED] Share Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants or any change to the authority of the Directors or the administrators of the [REDACTED] Share Scheme to alter the terms of the [REDACTED] Share Scheme must be approved by our Shareholders in general meeting.

The amended terms of the [REDACTED] Share Scheme shall still comply with Chapter 17 of the Listing Rules.

### **(u) Cancellation of options**

Subject to paragraph (i) above, any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing. For the avoidance of doubt, such approval is not required in the event any option is canceled pursuant to paragraph (m).

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### (v) Termination of the [REDACTED] Share Scheme

Our Company may by resolution in general meeting or our Board at any time terminate the [REDACTED] Share Scheme and in such event no further option shall be offered but the provisions of the [REDACTED] Share Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the [REDACTED] Share Scheme. 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 Scheme.

### (w) Administration of our Board

The [REDACTED] Share Scheme shall be subject to the administration of our Board whose decision as to all matters arising in relation to the [REDACTED] Share Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

### (x) Conditions of the [REDACTED] Share Scheme

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

- (i) the passing of the necessary resolution by our Shareholders to approve and adopt the rules of the [REDACTED] Share Scheme;
- (ii) the Stock Exchange granting the approval for the [REDACTED] of and permission to [REDACTED] in our Shares which may fall to be issued pursuant to the exercise of options to be granted under the [REDACTED] Share Scheme;
- (iii) the obligations of the [REDACTED] under the [REDACTED] becoming unconditional (including, if relevant, as a result of the waiver of any such condition(s)) by the [REDACTED] and not being terminated in accordance with the terms of the [REDACTED] or otherwise; and
- (iv) the commencement of [REDACTED] in our Shares on the Stock Exchange.

If the conditions in paragraph (x) above are not satisfied within twelve calendar months from the adoption date:

- (i) the [REDACTED] Share Scheme shall forthwith determine;
- (ii) any option granted or agreed to be granted pursuant to the [REDACTED] Share Scheme and any [REDACTED] of such a grant shall be of no effect; and
- (iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the [REDACTED] Share Scheme or any option granted thereunder.

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### (y) Disclosure in annual and interim reports

Our Company will disclose details of the [REDACTED] Share Scheme in our annual and interim reports including the number of options, date of grant, exercise price, exercise period, vesting period and other information as prescribed under the Listing Rules from time to time during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

### (z) Present status of the [REDACTED] Share Scheme

As of the Latest Practicable Date, no option had been granted or agreed to be granted under the [REDACTED] Share Scheme.

Application has been made to the Stock Exchange for the approval for the [REDACTED] of and permission to [REDACTED] in our Shares which may fall to be issued pursuant to the exercise of the options to be granted under the [REDACTED] Share Scheme, being [REDACTED] Shares in total.

## E. OTHER INFORMATION

### 1. Tax and other indemnities

Our Controlling Shareholders have entered into the Deed of Indemnity with and in favor of our Company (for ourselves and as trustee for each of our subsidiaries) to provide indemnities on a joint and several basis in respect of, among other matters, (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 may be incurred by any member of our Company on or before the [REDACTED]; (ii) other taxation which may be suffered by any member of our Group in respect of, among other things, any income, profits or gains earned, accrued or received on or before the [REDACTED], including any additional demands or penalties incurred after the [REDACTED] arising from any withdrawal of tax exemption claims as disclosed in “Financial Information—Description of Selected Items From Consolidated Statements of Profit or Loss—Income Tax Expense” and any other tax liabilities resulting from any applicable laws or regulations in the relevant jurisdiction by any member of our Company on or before the [REDACTED]; and (iii) any claims, penalties or other indebtedness which may arise after the [REDACTED] resulting from the under-contribution of social insurance and housing provident fund as disclosed in “Business—Employees—Remuneration and benefits”, save (a) to the extent that sufficient provision or reserve has been made for such taxation, legal proceeding or non-compliance incident in the audited combined financial statements of our Group as set out in Appendix I; (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 our Group after the [REDACTED] without the prior written consent or agreement of our Controlling Shareholders, unless such act or omission is conducted or agreed upon in the ordinary course of business of our Group or under a legally

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binding obligation created on or before 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].

### 2. Litigation

As of the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration of material importance and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

### 3. Joint Sponsors

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules. The Joint Sponsors will receive an aggregate fee of US\$1.4 million for acting as the sponsors for the [REDACTED].

The Joint Sponsors have made an application on our Company’s behalf to the Stock Exchange for the approval for the [REDACTED] of, and permission to [REDACTED] in, all the Shares in issue and to be issued as mentioned in this document (including any Shares which may be issued pursuant to the exercise of the [REDACTED] and any options that may be granted under the [REDACTED] Share Scheme). All necessary arrangements have been made for the Shares to be admitted into [REDACTED].

### 4. Preliminary expenses

The preliminary expenses incurred and paid by our Company relating to the incorporation of our Company were RMB26,000.

### 5. No material adverse change

Our Directors confirm that there has been no material adverse change in our Group’s financial or trading position since April 30, 2023 (being the date on which the latest audited consolidated financial information of our Group was prepared).

### 6. Promoters

Our Company has no promoter. Within the two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the [REDACTED] and the related transactions described in this document.



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### 7. Taxation of holders of Shares

#### (a) *Hong Kong*

The sale, purchase and transfer of Shares registered with our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.13% of the consideration or, if higher, the fair value of the Shares being sold or transferred. Profits from [REDACTED] in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

#### (b) *Cayman Islands*

Under the present Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfer of Shares.

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

Intending holders of the Shares are recommended to consult their professional advisors if they are in doubt as to the taxation implications of holding or disposing of or [REDACTED] in the Shares. It is emphasized that none of our Company, our Directors or the other parties involved in the [REDACTED] will accept responsibility for any tax effect on, or liabilities of, holder of Shares resulting from their holding or disposal of or [REDACTED] in Shares or exercise of any rights attaching to them.

### 8. Qualifications and consents of experts

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

<u>Name</u>	<u>Qualifications</u>
CITIC Securities (Hong Kong) Limited	A corporation licenced to conduct type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO
ABCI Capital Limited	A corporation licenced to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor

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<b>Name</b>	<b>Qualifications</b>
Conyers Dill & Pearman	Cayman Islands attorneys-at-law
Commerce & Finance Law Offices	Legal advisors to our Company as to PRC laws
Hogan Lovells	Legal advisors to our Company as to International Sanctions laws
Frost & Sullivan (Beijing) Inc.	Industry consultant
Ernst & Young (China) Advisory Limited	Transfer pricing consultant
Cheng & Cheng Taxation Services Limited	Hong Kong tax consultant

Each of the experts named above has given and has not withdrawn its written consent to the issue of this document with the inclusion of its reports, letters, opinions, summaries of opinions and/or references to its name included herein in the form and context in which they respectively appear.

**9. Interests of experts in our Company**

None of the persons named in “—8. Qualifications and consents of experts” above is interested beneficially or otherwise in any Shares or shares of any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any shares or securities in any member of our Group.

**10. Binding effect**

This document shall have the effect, if an application is made in pursuance of 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.

**11. Miscellaneous**

- (a) Within the two years immediately preceding the date of this document:
  - (i) save as disclosed in “History, Reorganization and Corporate Structure” in this document, no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;

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- (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, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and
  - (iv) no commission has been paid or payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries;
- (b) no founder, management or deferred Shares nor any debenture in our Company or any of our subsidiaries have been issued or agreed to be issued;
- (c) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this document;
- (d) the principal register of members of our Company will be maintained in the Cayman Islands by the [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 [REDACTED];
- (e) no company within our Group is presently [REDACTED] on any stock exchange or traded on any trading system and our Group is not seeking or proposing to seek any [REDACTED] of, or permission to [REDACTED], the share or loan capital of our Company on any other stock exchange;
- (f) our Directors have been advised that under the Cayman Companies Act the use of a Chinese name by our Company in conjunction with its English name does not contravene the Cayman Companies Act;
- (g) our Company has no outstanding convertible debt securities or debentures;
- (h) there is no arrangement under which future dividend are waived or agreed to be waived; and
- (i) there is no restriction affecting the remittance of profits or repatriation of capital into Hong Kong and from outside Hong Kong.

**12. Bilingual document**

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).

In case of any discrepancies between the English language version and Chinese language version of this document, the English language version shall prevail.