
APPENDIX IV

STATUTORY AND GENERAL INFORMATION

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of our Company

Our Company was incorporated in the Cayman Islands under the Cayman Islands Companies Act as an exempted company with limited liability on October 25, 2022.

We have been registered in Hong Kong under Part 16 of the Companies Ordinance as a non-Hong Kong company on January 13, 2023, and our principal place of business in Hong Kong is at 17/F, Wheelock House, 20 Pedder Street, Central, Hong Kong. In compliance with the requirements of the Companies Ordinance, Mr. Steven Lee has been appointed as the authorized representative in Hong Kong for the acceptance of service of process and any notice required to be served on our Company in Hong Kong.

Our Company was incorporated in the Cayman Islands and is subject to Cayman Islands law. Its constitution comprises the Memorandum and the Articles of Association. A summary of certain relevant parts of its constitution and certain relevant aspects of Cayman Islands company law is set out in “Appendix III — Summary of the Constitution of our Company and Cayman Islands Company Law”.

2. Changes in the Share Capital of our Company

- (a) As of the date of incorporation of our Company on October 25, 2022, our authorized share capital was HK\$390,000 divided into 3,900,000,000 Shares having a par value of HK\$0.0001 each. On the date of incorporation, one nil-paid Share was allotted and issued to an initial subscriber who is an Independent Third Party and on the same day, the initial subscriber transferred one Share to Konew Fintech, and 9,999 Shares were allotted and issued as fully-paid at par to Konew Fintech; and
- (b) Immediately after the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED] or the options granted or to be granted under the Share Option Scheme), the authorized share capital of our Company will be HK\$390,000, divided into 3,900,000,000 Shares of HK\$0.0001 each.

Other than pursuant to the exercise of the [REDACTED] or any options granted or to be granted under the Share Option Scheme, our Directors at present have no intention to issue to any party any of the authorized but unissued share capital of our Company, and, without the prior approval of the Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Save as disclosed in “History, Reorganization and Corporate Structure”, there has been no alteration in the share capital of our Company since its incorporation.

Our Company has no founder shares, management shares or deferred shares.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

3. Resolutions in writing of our Shareholders passed on [●]

Pursuant to the written resolutions passed by our Shareholders on [●], it was resolved that, among other matters:

- (a) the Articles of Association were conditionally approved and adopted with effect from the [REDACTED];
- (b) conditional on: (A) the [REDACTED] of the [REDACTED] granting [REDACTED] of, and permission to [REDACTED], the Shares in issue and to be issued as mentioned in this document; (B) the [REDACTED] having been determined; (C) the execution and delivery of the [REDACTED] on or before the date as mentioned in this document; and (D) the obligations of the [REDACTED] under the [REDACTED] becoming unconditional and not being terminated in accordance with the terms of the [REDACTED] or otherwise, in each case on or before the day falling 30 days after the date of this document:
 - (i) the [REDACTED] and the [REDACTED] were approved, and our Directors were authorized to allot and issue the [REDACTED] pursuant to the [REDACTED] and such number of Shares as may be required to be allotted and issued upon the exercise of the [REDACTED];
 - (ii) the rules of the Share Option Scheme, the principal terms of which are set out in “— D. Other Information — 1. Share Option Schemes”, were approved and adopted and our Directors were authorized to approve any amendments to the rules of the Share Option Scheme as may be acceptable or not objected to by the Stock Exchange, and at our Directors’ absolute discretion to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options which may be granted under the Share Option Scheme and to take all such steps as may be necessary, desirable or expedient to implement the Share Option Scheme;
 - (iii) conditional on the share premium account of our Company being credited as a result of the [REDACTED], our Directors were authorized to capitalize HK\$[REDACTED] standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par [REDACTED] Shares for allotment and issue to holders of Shares whose names appear on the register of members of our Company at the close of business on [●] in proportion (as nearly as possible without involving fractions so that no fraction of a Share shall be allotted and issued) to their then existing holdings in our Company and so that the Shares to be allotted and issued pursuant to this resolution should rank *pari passu* in all respects with the then existing issued Shares and our Directors were authorized to give effect to such [REDACTED];
 - (iv) a general unconditional mandate was granted to our Directors to exercise all powers of our Company to allot, issue and deal with, otherwise than by way of rights issue, scrip dividend schemes or similar arrangements providing for allotment of Shares in lieu of the whole or in part of any dividend in accordance with the Articles, or pursuant to the exercise of any options granted or to be granted under the Share Option Scheme, or under the [REDACTED] or the [REDACTED] or pursuant to the exercise of the [REDACTED], an aggregate number of Shares not exceeding 20% of

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

the aggregate number of Shares in issue immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED] or the options granted or to be granted the Share Option Scheme) until the conclusion of the next annual general meeting of our Company, or upon the expiry of the period within which our Company is required by any applicable law or the Memorandum and Articles of Association to hold its next annual general meeting, or when it is varied, revoked or renewed by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first;

- (v) a general unconditional mandate (the “**Repurchase Mandate**”) was granted to our Directors to exercise all powers of our Company to purchase or repurchase Shares on the Stock Exchange or another stock exchange on which the securities of our Company may be [REDACTED] and recognized by the SFC and the Stock Exchange for this purpose, with an aggregate number of not exceeding 10% of the number of Shares in issue immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED] or the options granted or to be granted under the Share Option Scheme), until the conclusion of the next annual general meeting of our Company, or upon the expiry of the period within which our Company is required by any applicable law or the Memorandum and Articles of Association to hold its next annual general meeting, or when it is varied, revoked or renewed by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first; and
- (vi) the extension of the general mandate to allot, issue and deal with Shares pursuant to sub-paragraph (iv) above to include the number of Shares which may be purchased or repurchased pursuant to sub-paragraph (v) above; and
- (c) our Company approved the form and substance of each of the service agreements made between our executive Directors and our Company, and the form and substance of each of the appointment letters made between each of our non-executive Director and independent non-executive Directors and our Company.

4. Reorganization

The companies comprising our Group underwent the Reorganization to rationalize our Group’s structure in preparation for the [REDACTED]. Following the Reorganization, our Company became the holding company of our Group. For more details regarding the Reorganization, see “History, Reorganization and Corporate Structure”.

5. Changes in the Share Capital of our subsidiaries

The subsidiaries of our Company are listed in “Appendix I — Accountant’s Report”.

Except as disclosed in “History, Reorganization and Corporate Structure”, there are no changes in the share capital of each of our Company’s subsidiaries within the two years immediately preceding the date of this document.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

6. Repurchases of our own securities

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

(a) Shareholders' approval

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

A resolution in writing was passed by our Shareholders on [●], pursuant to which a general unconditional mandate (i.e. the Repurchase Mandate) was granted to our Directors authorizing the purchase or repurchase of such number of Shares by our Company on the Stock Exchange or another stock exchange on which the securities of our Company may be [REDACTED] and recognized by the SFC and the Stock Exchange for this purpose, with an aggregate number of not exceeding 10% of the aggregate number of Shares in issue immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED] or the options granted or to be granted under the Share Option Scheme), until the conclusion of the next annual general meeting of our Company, or upon the expiry of the period within which our Company is required by any applicable law or the Memorandum and Articles of Association to hold its next annual general meeting, or when it is varied, revoked or renewed by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first (the "Relevant Period").

(b) Source of funds

Any repurchases must be paid out of funds legally available for the purpose in accordance with the Memorandum and Articles of Association, the Listing Rules, the Cayman Islands Companies Act and the applicable laws and regulations of the Cayman Islands. A listed company is prohibited from repurchasing its own securities 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. Under the Companies Act, any repurchases by our Company may be made out of profits of our Company, or out of our Company's share premium account, or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorized by the Memorandum and Articles of Association and subject to the Cayman Islands Companies Act, out of capital. Any premium payable on the redemption or purchase over the par value of the shares to be repurchased must be provided for out of profits of our Company or from sums standing to the credit of the share premium accounts of our Company.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(c) Reasons for repurchases

Our Directors believe that the ability to repurchase our Shares is in the best interest of our Company and our Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, result in an increase in the net assets and/or earnings per Share. Our Directors have sought the Repurchase Mandate to give our Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by our Directors at the relevant time, having regard to the circumstances then prevailing and such repurchases will only be made if our Directors believe that such repurchases will benefit our Company and our Shareholders as a whole.

(d) Funding of repurchases

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

On the basis of the current financial position of our Group as disclosed in this document and taking into account the current working capital position of our Group, our Directors consider that, if the repurchases under the Repurchase Mandate were to be carried out in full at any time during the Relevant Period, it might have a material adverse impact on the working capital and/or the gearing position of our Group as compared with the position disclosed in this document. However, our Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital and/or the gearing position of our Group which in the opinion of our Directors are from time to time appropriate for our Group.

(e) General

The exercise in full of the Repurchase Mandate, on the basis of [REDACTED] Shares in issue immediately after the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED] or the options granted or to be granted under the Share Option Scheme), would result in up to [REDACTED] Shares being repurchased by our Company during the Relevant Period.

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associate currently intends to sell any Shares to our Company or our subsidiaries. No core connected person of our Company has notified our Company that he/she/it has any present intention to sell Shares to our Company, or has undertaken not to do so if the Repurchase Mandate is exercised.

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

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

If, as a result of a repurchase of Shares, a Shareholder’s proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

No purchase of Shares has been made by our Company within six months prior to the date of the Document.

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

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 or may be material:

- (a) instrument of transfer and bought and sold notes dated March 24, 2023, entered into between Konew Fintech and the Company for the transfer of 1 share of K Cash (BVI) to the Company for the consideration of US\$1;
- (b) instrument of transfer and bought and sold notes dated March 24, 2023, entered into between Konew Credit and K Cash Express (BVI) for the transfer of 20,000,000 shares of K Cash Express to K Cash Express (BVI) for the consideration of HK\$20,000,000; and
- (c) the [REDACTED] dated [●], relating to the [REDACTED] and entered into by, among others, the [REDACTED], the [REDACTED] and our Company.

2. Exemption from requirement of a property valuation report

For the purpose of Chapter 5 of the Listing Rules, as no single property interest which formed part of our non-property activities had a carrying amount of 15% or more of our total assets, this document is not required to include any valuation report of our property interests.

Pursuant to Section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong), this document is exempted from compliance with requirements of Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to all of our Group’s assets in land or buildings.

APPENDIX IV




STATUTORY AND GENERAL INFORMATION

3. Our material intellectual property rights

As of the Latest Practicable Date, we had two registered trademarks in Hong Kong, as well as three domain names which we believe are material to our business.

(a) Trademarks

As of the Latest Practicable Date, we have registered the following trademarks that are material to our business:

No.	Trademarks	Registration No.	Validity period	Class	Place of registration	Registered owner
1.		304048623	February 15, 2017 to February 14, 2027	16, 36 ⁽¹⁾	Hong Kong	K Cash
2.	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>A</p>  </div> <div style="text-align: center;"> <p>B</p>  </div> </div>	305592583	April 14, 2021 to April 13, 2031	16, 36 ⁽²⁾	Hong Kong	K Cash (BVI)

Notes:

- (1) The specific goods under class 16 in respect of which the trademark was registered are advertising publications, catalogs, document holders, printed matter and promotional pamphlets. The specific services under class 36 in respect of which the trademark was registered are banking, brokerage of real estate, charitable fund raising, currency exchange services, debt collection agency services, electronic money transfer services, electronic payment services, evaluation of real estate, financial analysis, financial services, financing of loans, hire-purchase financing, investment services, pawn brokerage, provident fund services and provision of financial information.
- (2) The specific goods under class 16 in respect of which the trademark was registered are publications, directories and reports; printed matters; books, brochures, newsletters, pamphlets, manuals and other printed publications in the fields of accounting, auditing, taxation, tax preparation and planning, business management, risk management, corporate governance, personnel and human resource management, documentation management, database management, insurance, finance, financial consulting and advice, marketing and branding, computer and information technology consulting and implementation, intellectual property and litigation support; paper, cardboard and goods made from these materials, not included in other classes; book binding material; photographs; stationery; adhesives for stationery or household purposes; instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printed matter related to technology, FinTech (financial technology), artificial intelligence, robotics, business management, leadership, investments, entrepreneurship, project management, human resources, training, recruitment, job search, job matching, marketing, sales, advertising, promotion, distribution, retailing, public relations and branding developments. The specific services under class 36 in respect of which the trademark was registered are banking; brokerage; capital investment; clearing, financial/clearing-houses, financial; credit bureau services; issuance of credit cards; debt collection agency services; debt advisory services; electronic funds transfer; exchanging money; factoring; arranging finance for construction projects; financial customs brokerage services; financial evaluation insurance, banking; financial management; financial analysis; financial consultancy; financial information; financial sponsorship; providing financial information via a web site; financial management of reimbursement; transfer of payments for others; financial research; financing services; fiscal valuation; health insurance underwriting; hire-purchase financing/lease-purchase financing; installment loans; insurance brokerage; insurance underwriting; insurance consultancy; insurance information; investment of funds; lending against security; life insurance underwriting; loans financing; marine insurance underwriting; mortgage banking; mutual funds; online banking; organization of monetary collections; processing of credit card payments; processing of debit card payments; provident fund services; retirement payment services; securities brokerage; stocks and bonds brokerage; surety services; venture capital services; providing financing to start-up and emerging companies; financial services; investment services; advisory services relating to

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

finance and investments in the fintech industry; arrangement of loans; capital management services; consultancy relating to finance; consultancy services relating to banking, financial and investment matters; consultancy services relating to financial risk management; financial assessment; financial asset evaluation; financial asset management; financial brokerage services provided via a computer network; financial brokerage services; financial management advice; financial planning; financial portfolio management; financial reporting; financial research services; financial services provided via the telephone and a global computer network; financial valuation services; fund management; futures brokerage; loan advice; loans financing brokerage; management of investment; providing financial information via websites; providing financing services; stock brokerage services; financial management and administration services, namely, facilitating transfers of digital currency, transmission of digital currency via electronic communication networks, and electronic transmission of digital currency; financial transaction services, namely, receiving and disbursing payments and gifts in fiat currencies and virtual currencies over a computer network; financial services, namely, providing a virtual currency for exchange and storage over a computer network.

(b) Domain name

As of the Latest Practicable Date, we have registered the following domain names which we believe are material to our business:

<u>No.</u>	<u>Domain name</u>	<u>Registrant</u>	<u>Date of registration</u>	<u>Expiry date</u>
1.	kcash.hk	K Cash Express	July 5, 2016	July 5, 2031
2.	kcash.com.hk	K Cash Express	July 5, 2016	July 11, 2026
3.	kcashsme.hk	K Cash Express	October 14, 2022	October 14, 2027

4. Connected transactions and related party transactions

Except as disclosed in “Connected Transactions” and in “Appendix I — Accountant’s Report — Notes To The Historical Financial Information — Note 25”, the text of which is set out in “Appendix I — Accountant’s Report”, during the two years immediately preceding the date of this document, our Company has not engaged in any other material connected transactions or related party transactions.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Our Directors

(a) Disclosure of interests of our Directors

- (i) Each of Chairman Lee, Mrs. Lee and Mr. Steven Lee is interested in the Reorganization, and the transactions contemplated under the material contracts as set out in “— B. Further Information about our Business — 1. Summary of material contracts”.
- (ii) Except as disclosed in this document, none of our Directors or their associates was engaged in any dealings with our Group during the two years immediately preceding the date of this document.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(b) *Particulars of our Directors’ service contracts*

Our executive Directors

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

Our non-executive Directors

Our non-executive Director has been appointed for an initial term of three years commencing from the [REDACTED] until terminated by either party giving not less than three months’ written notice to the other pursuant to a letter of appointment.

Our independent non-executive Directors

Each of our independent non-executive Directors has been appointed for an initial term of three years commencing from the [REDACTED] until terminated by either party giving not less than three months’ written notice to the other pursuant to a letter of appointment.

Except for directors’ fees, none of our independent non-executive Directors is expected to receive any other remuneration for holding his office as an independent non-executive Director.

Except as aforesaid, none of our Directors has or is proposed to have a service contract with our Company or any of our subsidiaries other than contracts expiring or determinable by us within one year without the payment of compensation (other than statutory compensation).

(c) *Our Directors’ remuneration*

- (i) The aggregate emoluments paid and benefits in kind granted by our Group to our Directors in respect of the years ended December 31, 2020, 2021 and 2022 and the five months ended May 31, 2023 were approximately HK\$20 million, HK\$24 million, HK\$15 million and HK\$3 million, respectively.
- (ii) None of our Directors or any past directors of any member of our Group has been paid any sum of money during the Track Record Period (i) as an inducement to join or upon joining our Group; or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.
- (iii) Under the arrangements currently in force, the aggregate emoluments (excluding discretionary bonus) payable by our Group to and benefits in kind receivable by our Directors (including our independent non-executive Directors) for the year ending December 31, 2023 are expected to be approximately HK\$7.3 million.
- (iv) There has been no arrangement under which a Director has waived or agreed to waive any emoluments during the Track Record Period.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(d) *Interests and/or short positions of our Directors in the shares, underlying shares or debentures of our Company and its associated corporations*

Immediately after the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED] or the options granted or to be granted under the Share Option Scheme), the interests and/or short positions of our Directors and the chief executive of our Company in the shares, underlying shares or debentures of our Company and its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions in which they are taken or deemed to have taken 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 to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, in each case once our Shares are [REDACTED], will be as follows:

Long position in the Shares

<u>Name of Director</u>	<u>Capacity/nature of interest</u>	<u>Number of Shares⁽¹⁾</u>	<u>Approximate percentage of interest in our Company</u>
Chairman Lee ⁽²⁾⁽³⁾	Interest in a controlled corporation and interest jointly held with other persons	[REDACTED] (L)	[REDACTED]
Mrs. Lee ⁽²⁾⁽³⁾	Interest in a controlled jointly held with corporation and interest other persons	[REDACTED] (L)	[REDACTED]
Mr. Steven Lee ⁽²⁾⁽³⁾	Founder of a discretionary trust, interest in a controlled corporation and interest jointly held with other persons	[REDACTED] (L)	[REDACTED]
Mr. Edwin Lee ⁽²⁾⁽³⁾	Interest in a controlled corporation and interest jointly held with other persons	[REDACTED] (L)	[REDACTED]

Notes:

- (1) The letter “L” denotes a person’s long position in our Shares.
- (2) Chairman Lee, Mrs. Lee, Mr. Steven Lee and Mr. Edwin Lee are family members of one another. Therefore, pursuant to the SFO, they are deemed to be interested in any Shares in which one another is interested through their controlled corporation, Konew Group.
- (3) East Asia International Trustees Limited as the trustee of the Lee Trust (through its direct wholly-owned company World Wealth Investment Development Limited) holds the entire issued share capital of SW Lee Limited. The Lee Trust is a discretionary trust established by Mr. Steven Lee (as the settlor) and East Asia International Trustees Limited (as the trustee), for the benefit of Mr. Steven Lee and his family members. Accordingly, each of Mr. Steven Lee, World Wealth Investment Development Limited and East Asia International Trustees Limited is deemed to be interested in the equity interests held by SW Lee Limited. Chairman Lee, Mrs. Lee and Mr. Edwin Lee, being family members of Mr. Steven Lee, will also be deemed to be interested in the equity interests of Mr. Steven Lee in SW Lee Limited.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

Long position in the ordinary shares of associated corporation

<u>Name of Director</u>	<u>Associated corporation</u>	<u>Capacity/nature of interest</u>	<u>Number of share(s)⁽¹⁾</u>	<u>Percentage of interest in the associated corporation</u>
Chairman Lee ⁽²⁾⁽³⁾	Konew Group	Beneficial owner and interest jointly held with other persons	50,000 (L)	100%
	Konew Fintech	Interest in a controlled corporation and interest jointly held with other persons	1 (L)	100%
Mrs. Lee ⁽²⁾⁽³⁾	Konew Group	Beneficial owner and interest jointly held with other persons	50,000 (L)	100%
	Konew Fintech	Interest in a controlled corporation and interest jointly held with other persons	1 (L)	100%
Mr. Steven Lee ⁽²⁾⁽³⁾	Konew Group	Interest in a controlled corporation and interest jointly held with other persons	50,000 (L)	100%
	Konew Fintech	Interest in a controlled corporation and interest jointly held with other persons	1 (L)	100%
Mr. Edwin Lee ⁽²⁾⁽³⁾	Konew Group	Beneficial owner and interest jointly held with other persons	50,000 (L)	100%
	Konew Fintech	Interest in a controlled corporation and interest jointly held with other persons	1 (L)	100%

Notes:

- (1) The letter “L” denotes a person’s long position in the relevant associated corporation.
- (2) Chairman Lee, Mrs. Lee, Mr. Steven Lee and Mr. Edwin Lee are family members of one another. Therefore, pursuant to the SFO, they are deemed to be interested in any shares in Konew Group in which one another is interested.
- (3) East Asia International Trustees Limited as the trustee of the Lee Trust (through its direct wholly-owned company World Wealth Investment Development Limited) holds the entire issued share capital of SW Lee Limited. The Lee Trust is a discretionary trust established by Mr. Steven Lee (as the settlor) and East Asia International Trustees Limited (as the trustee), for the benefit of Mr. Steven Lee and his family members. Accordingly, each of Mr. Steven Lee, World Wealth Investment Development Limited and East Asia International Trustees Limited is deemed to be interested in the equity interests held by SW Lee Limited. Chairman Lee, Mrs. Lee and Mr. Edwin Lee, being family members of Mr. Steven Lee, will also be deemed to be interested in the equity interests of Mr. Steven Lee in SW Lee Limited.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

2. Interests disclosable under the SFO and substantial shareholders

So far as our Directors are aware, immediately after the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED] or the options granted or to be granted under the Share Option Scheme), other than a Director or chief executive of our Company whose interests are disclosed under “— C. Further Information about our Directors and Substantial Shareholders — 1. Our Directors” and persons having deemed interest under Section 316(1)(a) of the SFO, the following persons will have an interest or a short position in our Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group:

<u>Name of Shareholder</u>	<u>Capacity/ nature of interest</u>	<u>Number of Shares⁽¹⁾</u>	<u>Approximate percentage of shareholding</u>
Konew Group ⁽²⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]
Konew Fintech	Beneficial owner	[REDACTED]	[REDACTED]
SW Lee Limited ⁽³⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]
World Wealth Investment Development Limited ⁽³⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]
East Asia International Trustees Limited ⁽³⁾	Trustee of a trust	[REDACTED]	[REDACTED]

Notes:

- (1) The Letter “L” denotes a person’s long position in our Shares.
- (2) Konew Group is held by Chairman Lee, Mrs. Lee, Mr. Steven Lee and Mr. Edwin Lee as to 25.0%, 25.0%, 28.5% and 21.5% respectively. Konew Group is interested in 100% of the equity interests of the Company through its wholly-owned subsidiary, Konew Fintech.
- (3) East Asia International Trustees Limited as the trustee of the Lee Trust (through its direct wholly-owned company World Wealth Investment Development Limited) holds the entire issued share capital of SW Lee Limited. The Lee Trust is a discretionary trust established by Mr. Steven Lee (as the settlor) and East Asia International Trustees Limited (as the trustee), for the benefit of Mr. Steven Lee and his family members.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

3. Disclaimers

Except as disclosed in this document:

- (a) our Directors are not aware of any person (not being a Director or chief executive of our Company) who immediately after the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED] or the options granted or to be granted under the Share Option Scheme) will have an interest or a short position in our Shares and underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group;
- (b) none of our Directors has any interest or short position in any of the shares, underlying shares or debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions in which they are taken or is 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 to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, in each case once our Shares are [REDACTED];
- (c) none of our Directors nor any of the parties listed in “— D. Other Information — 9. Qualifications of experts” has been interested in the promotion of, or has any direct or indirect interest in any assets which have been, within the two years immediately preceding the date of this document, acquired or disposed of by or leased to our Company or any of the subsidiaries of our Company, or are proposed to be acquired or disposed of by or leased to our Company or any other member of our Group nor will any Director apply for the [REDACTED] either in his own name or in the name of a nominee;
- (d) none of our Directors nor any of the parties listed in “— D. Other Information — 9. Qualifications of experts” 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; and
 - 1. except in connection with the [REDACTED], none of the parties listed in “— D. Other Information — 9. Qualifications of experts”:
 - (i) is interested legally or beneficially in any securities of any member of our Group; or
 - (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

D. OTHER INFORMATION

1. Share Option Schemes

The following is a summary of the principal terms of the [REDACTED] Share Option Scheme conditionally approved and adopted by our Shareholders on [●] and its implementation is conditional on the [REDACTED]. The [REDACTED] Share Option Scheme has incorporated the requirements set out in the consultation conclusions published by the Stock Exchange on July 29, 2022 on the Proposed Amendments to the Listing Rules relating to the share schemes of listed issuers.

(i) Purpose

The purpose of the [REDACTED] Share Option Scheme is to incentivize and reward an Eligible Person (as defined below) for their contribution to our Group and to align their interests with that of our Company so as to encourage them to work towards enhancing the value of our Company.

(ii) Who may participate

The Board (including any committee or delegate of the Board appointed by the Board to perform any of its functions pursuant to the rules of the [REDACTED] Share Option Scheme) may, at its absolute discretion, offer to grant an option to subscribe for such number of Shares as the Board may determine any of the following classes of participants:

Eligible persons include the following persons eligible to receive option under the [REDACTED] Share Option Scheme (“**Eligible Person**”):

- (i) any director and employee of any member of our Group;
- (ii) any director or employee of any of the holding companies, fellow subsidiaries or associated companies of our Company; and
- (iii) an individual consultant, individual independent contractor, or individual self-employed contractor who provides services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group (but excluding any non-executive Directors, directors of the Group and any professional service providers who provide assurance or are required to performance their services with impartiality and objectivity) (the “**Service Provider**”).

The basis of eligibility of any of the participants shall be determined by the Board from time to time. In assessing the eligibility of any participant, the Board will consider all relevant factors as appropriate, including, among others, (i) work performance; (ii) years of service; and (iii) potential or actual contribution to the business of the Group.

For the avoidance of doubt, the grant of any options by our Company for the subscription of Shares or other securities of our Group to any person who falls within any of these classes of participants shall not, by itself, unless our Directors otherwise so determine, be construed as a grant of option under the [REDACTED] Share Option Scheme.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(iii) Maximum number of Shares in respect of which options may be granted

The maximum number of Shares which may be issued upon exercise of all options to be granted under the [REDACTED] Share Option Scheme and any other share option schemes (the "Other Schemes") of our Company must not in aggregate exceed 10% of the total number of Shares in issue as of the [REDACTED], being [REDACTED] Shares, or such higher limit as the Stock Exchange may allow pursuant to a waiver granted at the Stock Exchange's discretion (the "Scheme Mandate Limit"). The Service Provider sublimit shall be set within the scheme mandate limit and separately approved by Shareholders in general meeting. The circular must contain the basis for determining the service provider sublimit and an explanation as to why the service provider submit is appropriate and reasonable.

The Board may, with the approval of the Shareholders in general meeting refresh once every three years, the Scheme Mandate Limit provided that the total number of Shares which may be issued upon the exercise of all options to be granted under the [REDACTED] Share Option Scheme and any Other Schemes of our Company under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue. Refreshments within a three year period must be approved by the Shareholders (other than the controlling shareholders of our Company).

At any time, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and not yet exercised under the [REDACTED] Share Option Scheme and any Other Schemes of our Company to the Eligible Persons must not exceed 10% of the total number of Shares in issue from time to time.

The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of our Company or independent financial adviser appointed by the Board shall certify in writing to the Board to be fair and reasonable, in the event of any alteration in the capital structure of our Company whether by way of capitalization of profits or reserves, rights issue, consolidation or subdivision of shares, or reduction of the share capital of our Company provided that no such adjustment shall be made in the event of an issue of Shares as consideration in respect of a transaction.

(iv) Maximum entitlement of each individual

No options shall be granted to any Eligible Person under the [REDACTED] Share Option Scheme and any Other Schemes of our Company which, if exercised, would result in such Eligible Person becoming entitled to subscribe for such number of Shares as, when aggregated with the total number of Shares already issued or to be issued to him under all options granted to him (including exercised, canceled and outstanding Options) in the 12-month period up to and including the date of offer of such options, exceeds 1% of the Shares in issue at such date or such higher limit as the Stock Exchange may allow pursuant to a waiver granted at the Stock Exchange's discretion.

Any further grant of options to an Eligible Person in excess of this 1% limit or such higher limit as the Stock Exchange may allow pursuant to a waiver granted at the Stock Exchange's discretion shall be subject to the approval of the Shareholders in general meeting with such Eligible Person and his close associates (or if such Eligible Person is a connected person of our Company, his associates abstaining from voting). Our Company must send a circular to the Shareholders disclosing the identity of the Eligible Person in question, the number and terms of the options to be granted (and options previously granted to such Eligible Person in the 12-month period) and such other information required under the Listing Rules.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

The number and terms (including the Option Price) of the options to be granted to such Eligible Person must be fixed before the Shareholders' approval and the date of the Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price under Rule 17.03E of the Listing Rules.

(v) *Grant of options to connected persons*

Each grant of options to a Director (including an independent non-executive Director), chief executive or substantial shareholder of our Company, or any of their respective associates, under the [REDACTED] Share Option Scheme must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee of the options).

Where any grant of options to a substantial shareholder or an independent non-executive Director of our Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted under the [REDACTED] Share Option Scheme (including options exercised, canceled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (a) representing in aggregate over 0.1% of the Shares in issue; and
- (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million,

such further grant of options by the Board must be approved by the Shareholders in general meeting. Such grantee, his associates and all core connected persons of our Company must abstain from voting on the resolution to approve such further grant of options. Our Company shall send to the Shareholders a circular containing the information required under the Listing Rules for the purpose of seeking the approval of the Shareholders.

(vi) *Acceptance of an offer of options*

An offer of options shall be open for acceptance for such period (not exceeding 30 days inclusive of, and from, the date of offer) as the Board may determine and notify to the Eligible Person concerned provided that no such offer shall be open for acceptance after the expiry of the duration of the [REDACTED] Share Option Scheme. An offer of options not accepted within this period shall lapse. An amount of [HK\$1.00] is payable upon acceptance of the grant of an option and such payment shall not be refundable and shall not be deemed to be a part payment of the Option Price.

(vii) *Option price*

Subject to any adjustment made as described in sub-paragraph (xxi) below, the Option Price shall be such price as determined by the Board and notified to an Option-holder and which shall not be less than the higher of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of offer of the option;

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of offer of the option; and
- (c) the nominal value of the Shares.

(viii) Duration of Share Option Scheme

The [REDACTED] Share Option Scheme shall be valid and effective for a period of ten years commencing on the [REDACTED], after which period no further options will be granted but the provisions of the [REDACTED] Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto which are at that time or become thereafter capable of exercise under the [REDACTED] Share Option Scheme, or otherwise to the extent as may be required in accordance with the provisions of the [REDACTED] Share Option Scheme.

(ix) Time of vesting and exercise of options

Any option shall be vested on an Option-holder immediately upon his acceptance of the offer of options provided that if any vesting schedule and/or conditions are specified in the offer of the option, such option shall only be vested on an Option-holder according to such vesting schedule and/or upon the fulfillment of the vesting conditions (as the case may be). Any vested option which has not lapsed and which conditions have been satisfied or waived by the Board in its sole discretion may, unless the Board determines otherwise in its absolute discretion, be exercised at any time from the next business day after the offer of options has been accepted. Any option which remain unexercised shall lapse upon the expiry of the option period, which period shall be determined by the Board and shall not exceed ten years from the offer date of the option or such longer period as the Stock Exchange may allow pursuant to a waiver granted at the Stock Exchange's discretion (the "Option Period").

An option shall be subject to such terms and conditions (if any) as may be determined by the Board and specified in the offer of the option, including any vesting schedule and/or conditions, any minimum period for which any option must be held before it can be exercised and/or any performance target which need to be achieved by an Option-holder before the option can be exercised. Such terms and conditions determined by the Board must not be contrary to the purpose of the [REDACTED] Share Option Scheme and must be consistent with such guidelines (if any) as may be approved from time to time by the Shareholders.

No option may be exercised in circumstances where such exercise would, in the opinion of the Board, be in breach of a statutory or regulatory requirement.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(x) Restriction on the time of grant of options

A grant of options may not be made after inside information has come to our knowledge until (and including) the trading day after which such inside information has been announced as required under the Listing Rules. In particular, no option may be granted during the period commencing one month immediately preceding the earlier of:

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

and ending on the date of the results announcement. The period during which no option may be granted will cover any period of delay in the publication of a results announcement.

(xi) Ranking of the Shares

No dividends (including distributions made upon the liquidation of our Company) will be payable and no voting rights will be exercisable in relation to an option that has not been exercised. Shares allotted and issued on the exercise of an option will rank *pari passu* in all respects with the Shares in issue on the date of allotment. They will not rank for any rights attaching to Shares by reference to a record date preceding the date of allotment.

(xii) Restrictions on transfer

Except for the transmission of an option on the death of an Option-holder to his personal representatives, neither the option nor any rights in respect of it may be transferred, assigned or otherwise disposed of by any Option-holder to any other person or entity. If an Option-holder transfers, assigns or disposes of any such option or rights, whether voluntarily or involuntarily, then the relevant option will immediately lapse.

(xiii) Rights on voluntary resignation

If an Option-holder ceases to be an Eligible Person by reason of his voluntary resignation (other than in circumstances where he is constructively dismissed), any outstanding offer of options shall continue to be open for acceptance for such period as determined by the Board at its absolute discretion and notified to such Eligible Person, and all options (to the extent vested but not already exercised) will continue to be exercisable for such period as the Board may determine at its absolute discretion and notify to such Eligible Person on the date of cessation of employment of such Eligible Person.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(xiv) Rights on termination of employment

If an Option-holder ceases to be an Eligible Person by reason of (a) his employer terminating his contract of employment in accordance with its terms or any right conferred on his employer by law, or (b) his contract of employment, being a contract for a fixed term, expiring and not being renewed, or (c) his employer terminating his contract for serious or gross misconduct, then any outstanding offer of an option and all options, vested or unvested, will lapse on the date the Option-holder ceases to be an Eligible Person.

(xv) Rights on death, disability, retirement and transfer

If an Option-holder ceases to be an Eligible Person by reason of:

- (a) his death; or
- (b) his serious illness or injury which in the opinion of the Board renders the Option-holder concerned unfit to perform the duties of his employment and which in the normal course would render the Option-holder unfit to continue performing the duties under his contract of employment for the following 12 months provided such illness or injury is not self-inflicted; or
- (c) his retirement in accordance with the terms of an Option-holder's contract of employment; or
- (d) his early retirement by agreement with the Option-holder's employer; or
- (e) his employer terminating his contract of employment by reason of redundancy; or
- (f) his employer ceasing to be a member of the Group or an associated company or under the control of our Company; or
- (g) a transfer of the business, or the part of the business, in which the Option-holder works to a person who is neither under the control of our Company nor a member of the Group or associated companies of our Company; or
- (h) if the Board determines in its absolute discretion that circumstances exist which mean that it is appropriate and consistent with the purpose of the [REDACTED] Share Option Scheme to treat an Option-holder whose options would otherwise lapse so that such options do not lapse but continue to subsist in accordance with (and subject to) the provisions of the [REDACTED] Share Option Scheme,

then, any outstanding offer of an option which has not been accepted and any unvested option will lapse and the Option-holder or his personal representatives (if appropriate) may exercise all his options (to the extent vested but not already exercised) within a period of one month of the date of cessation of employment. Any option not exercised prior to the expiry of this period shall lapse.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

If the Board determines that an Option-holder who ceases to be an Eligible Person in circumstances such that his options continue to subsist in accordance with (h) above:

- (a) is guilty of any misconduct which would have justified the termination of his contract of employment for cause but which does not become known to our Company until after he has ceased employment with any member of the Group or associated companies of our Company; or
- (b) is in breach of any material term of contract of employment (or other contract or agreement related to his contract of employment), without limitation, any confidentiality agreement or agreement containing non-competition or non-solicitation restrictions between him and any member of the Group or associated companies of our Company; or
- (c) has disclosed trade secrets or confidential information of any member of the Group or associated companies of our Company; or
- (d) has entered into competition with any member of the Group or associated companies of our Company or breached any non-solicitation provisions in his contract of employment,

then it may, in its absolute discretion, determine that any unexercised options, vested or not vested, held by the Option-holder shall immediately lapse upon the Board resolving to make such determination (whether or not the Option-holder has been notified of the determination).

(xvi) Rights on cessation to be a director

In the event that any director ceases to be a director of any member of the Group or associated companies of our Company, our Company shall, as soon as practicable thereafter, give notice to the relevant Option-holder who as a result ceases to be an Eligible Person. Any outstanding offer of an option which has not been accepted and any unvested option will lapse on the date the Option-holder ceases to be an Eligible Person. The Option-holder (or his personal representative) may exercise all his options (to the extent vested but not already exercised) within a period of one month of the date of the notification by the Board. Any option not exercised prior to the expiry of this period shall lapse.

(xvii) Rights on a general offer

If as a result of any general offer made to the holders of Shares, the Board becomes aware that the right to cast more than 50% of the votes which may ordinarily be cast on a poll at a general meeting of our Company has or will become vested in the offeror, any company controlled by the offeror and any person associated with or acting in concert with the offeror, the Board will notify every Option-holder of this within 14 days of becoming so aware or as soon as practicable after any legal or regulatory restriction on such disclosure no longer applies. Each Option-holder will be entitled to exercise his options (to the extent vested but not already exercised) during the period of one month starting on the date of the Board's notification to the Option-holders. All options, vested or unvested, not exercised before the end of such period will lapse.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(xviii) Rights on company reconstructions

In the event of a compromise or arrangement, our Company shall give notice to all Option-holders on the same date as it gives notice of the meeting to the Shareholders or creditors to consider such a compromise or arrangement and each Option-holder (or his personal representative) may at any time thereafter, but before such time as shall be notified by our Company, exercise all or any of his options (to the extent vested but not already exercised), and subject to our Company receiving the exercise notice and the Option Price, 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, issue and register under the name of the Option-holder such number of fully paid Shares which fall to be issued on exercise of such options. Any options, vested or not unvested, not so exercised will lapse.

(xix) Rights on winding up

In the event a notice is given by our Company to the Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up our Company, our Company shall on the same date as or soon after we dispatch such notice to the Shareholders give notice thereof to all Option-holders and each Option-holder shall be entitled to exercise all or any of his options (to the extent vested but not already exercised) at any time no later than seven days prior to the proposed general meeting of our Company, and subject to our Company receiving the exercise notice and the Option Price, 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, issue and register under the name of the Option-holder such number of fully paid Shares which fall to be issued on exercise of such options. Any options, vested or not unvested, not so exercised will lapse.

(xx) Lapse of option

An option will lapse on the earlier of:

- (a) the expiry of the option period as determined by the Board; or
- (b) the date when any circumstance referred to in paragraph (xii) above occurs; or
- (c) the expiry of the time provided for in the applicable rule where any of the circumstances provided in paragraphs (xiii) to (xix) above apply.

(xxi) Effect of alteration to share capital

In the event of any alteration in the capital structure of the Company whilst any option remains exercisable, whether by way of capitalization of profits or reserves, further rights issues of Shares, consolidation or subdivision of shares, or reduction of the share capital of our Company in accordance with applicable laws and regulatory requirements (other than an issue of any share capital as consideration in respect of a transaction), such corresponding adjustments (if any) shall be made to the number of Shares, the subject matter of the option (insofar as it is unexercised) and/or the price at which the options are exercisable, as the auditors of our Company or an independent financial adviser appointed by the Board shall certify in writing to the Board to be in their opinion fair and reasonable.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

Any such adjustments shall be made on the basis that an Option-holder shall have the same proportion of the issued share capital of our Company as that to which he was entitled before such adjustment. No such adjustment shall be made the effect of which would be to enable any Share to be issued at less than its nominal value, or to increase the proportion of the issued share capital of our Company for which any Option-holder would have been entitled to subscribe had he exercised all the options held by him immediately prior to such adjustments.

The auditors of our Company or the independent financial adviser appointed by the Board (as appropriate) must confirm to the Board in writing that the adjustment satisfies the requirements of the Note to paragraph 17.03(13) of the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange, except where such adjustment is made on a [REDACTED].

The capacity of the auditors or independent financial advisers mentioned above is that of experts and not of arbitrators and their certification shall be final and binding on our Company and the Option-holders in the absence of fraud or manifest error. The costs of the auditors or independent financial advisers shall be borne by our Company.

(xxii) Cancellation of option

Unless the Option-holder agrees, the Board may only cancel an option (which has been granted but not yet exercised) if, at the election of the Board, either:

- (a) our Company pays to the Option-holder an amount equal to the fair market value of the option at the date of cancellation as determined by the Board at its absolute discretion, after consultation with the auditors of our Company or an independent financial adviser appointed by the Board; or
- (b) the Board offers to grant the Option-holder replacement options (or options under any other share option scheme of any Member of the Group) or makes such arrangements as the Option-holder may agree to compensate him for the loss of the option; or
- (c) the Board makes such arrangements as the Option-holder may agree to compensate him for the cancellation of the option.

Where our Company cancels options granted to a participant and makes a new grant to the same participant, such new grant may only be made under the [REDACTED] Share Option Scheme with available Scheme Mandate Limit approved by the Shareholders. The options canceled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

(xxiii) Termination of the [REDACTED] Share Option Scheme

The [REDACTED] Share Option Scheme will expire automatically on the day immediately preceding the tenth anniversary of the [REDACTED]. The Board may terminate the [REDACTED] Share Option Scheme at any time without Shareholders' approval by resolving that no further options shall be granted under the [REDACTED] Share Option Scheme and in such case, no new offers to grant options under the [REDACTED] Share Option Scheme will be made and any options which have been granted but not yet exercised shall either (a) continue subject to the [REDACTED] Share Option Scheme, or (b) be canceled in accordance with paragraph (xxii).

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(xxiv) Amendments to the [REDACTED] Share Option Scheme

The Board may amend any of the provisions of the [REDACTED] Share Option Scheme (including amendments in order to comply with changes in legal or regulatory requirements) at any time (but not so as to affect adversely any rights which have accrued to any Option-holder at that date), except that any amendments to the terms and conditions of the [REDACTED] Share Option Scheme which are of a material nature or any amendments to the advantage of present or future Option-holders in respect of matters contained in Rule 17.03 of the Listing Rules must be approved by the Shareholders in general meeting.

Any amendments to the terms and conditions of the [REDACTED] Share Option Scheme which are of a material nature or any amendments to the terms of any options granted may only be made with the approval of the shareholders of our Company save where the amendments take effect automatically under the existing terms of the [REDACTED] Share Option Scheme.

Any amendments to the terms of options granted to an Option-holder who is a substantial shareholder of our Company or an independent non-executive Director, or any of their respective associates, must be approved by the Shareholders in general meeting. The resolution to approve the amendment must be taken on a poll and any connected person of our Company must abstain from voting on the resolution to approve such amendment, except that such a connected person may vote against such resolution.

Any change to the authority of the Board in relation to any amendment of the rules of the [REDACTED] Share Option Scheme may only be made with the approval of the Shareholders in general meeting.

(xxv) Conditions of the [REDACTED] Share Option Scheme

The adoption of the [REDACTED] Share Option Scheme is conditional on:

- (a) the [REDACTED] granting (or agreeing to grant) approval (subject to such conditions as the Stock Exchange may impose) for the [REDACTED] of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any options which may be granted under the [REDACTED] Share Option Scheme; and
- (b) the commencement of the dealings in the Shares on the Stock Exchange.

If the condition above are not satisfied on or before the date following six months after the date the [REDACTED] Share Option Scheme was conditionally adopted:

- (a) the [REDACTED] Share Option Scheme shall forthwith determine;
- (b) any option granted or agreed to be granted pursuant to the [REDACTED] Share Option Scheme and any offer of such a grant shall be of no effect; and
- (c) no person shall be entitled to any rights or benefits or be under any obligation under or in respect of the [REDACTED] Share Option Scheme or any option.

An application has been made to the [REDACTED] to the Stock Exchange for the [REDACTED] of, and permission to deal in, the new Shares which may be issued pursuant to the exercise of the options which may be granted pursuant to the [REDACTED] Share Option Scheme.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(xxvi) Performance targets

Our Directors shall have absolute discretion to determine the performance targets that must be achieved by a grantee before any options granted under the [REDACTED] Share Option Scheme can be exercised.

(xxvii) Rights are personal to the grantee

An option is personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest (legal or beneficial) in favor of or enter into any agreement with any other person over or in relation to any option, except for the transmission of an option on the death of the grantee to his personal representative(s) on the terms of this [REDACTED] Share Option Scheme, or, subject to the Stock Exchange granting a waiver, on a case-by-case basis, transfer to vehicle (such as a trust or a private company) for the benefit of the participant and any family members of such participant (for example, for estate planning or tax planning purposes) that would continue to meet the purpose of the [REDACTED] Share Option Scheme and comply with the requirements under Chapter 17 of the Listing Rules.

(xxviii) Value of options

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

As of the Latest Practicable Date, no option had been granted or agreed to be granted by our Company pursuant to the [REDACTED] Share Option Scheme.

Details of the [REDACTED] Share Option Scheme, including particulars and movements of the options granted during each financial year of our Company, and our employee costs arising from the grant of the options will be disclosed in our annual report.

2. Estate duty

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

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

3. Litigation

As of the Latest Practicable Date, neither our Company nor any of our subsidiaries is engaged in any litigation or arbitration of material importance, and no litigation or claim of material importance is known to our Directors to be pending or threatened against our Company or any of our subsidiaries, that would have a material adverse effect on the results of operations or financial condition of our Company.

4. Preliminary expenses

The preliminary expenses of our Company were approximately HK\$80,460 and were paid by our Company.

5. Promoters

- (a) Our Company has no promoter.
- (b) Within the two years preceding the date of this document, no amount or benefit has been paid or given to the promoters named in sub-paragraph (a) above in connection with the [REDACTED] or the related transactions described in this document.

6. Joint Sponsors' independence

The Joint Sponsors satisfy the independence criteria applicable to sponsor as set out in Rule 3A.07 of the Listing Rules.

7. Agency fees or commissions received

The [REDACTED] will receive a gross [REDACTED] of [REDACTED] of the aggregate [REDACTED] in respect of all of the [REDACTED]. Our Company may also in our sole discretion pay an aggregate discretionary incentive fee of up to [REDACTED] of the aggregate [REDACTED] in respect of all of the [REDACTED]. The Joint Sponsors will also receive sponsor fee of HK\$10,305,000.

8. Application for [REDACTED] of Shares

The Joint Sponsors have made an application on behalf of our Company to the [REDACTED] of the Stock Exchange for the [REDACTED] of, and permission to deal in, the Shares in issue and to be issued as mentioned in this document and any Shares which may be issued upon the exercise of the [REDACTED] and any options granted or to be granted under the Share Option Scheme.

All necessary arrangements have been made to enable the securities to be admitted into [REDACTED].

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

9. Qualifications of experts

The qualifications of the experts who have given opinions and/or whose names are included in this document are as follows:

<u>Name</u>	<u>Qualification</u>
Conyers Dill & Pearman	Legal advisors to our Company as to Cayman Islands laws
DBS Asia Capital Limited	Licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Ping An of China Capital (Hong Kong) Company Limited	Licensed to conduct Type 6 (advising on corporate finance) under the SFO
Mr. Matthew Ho	Barrister-at-law in Hong Kong
Ms. Queenie Ng	Barrister-at-law in Hong Kong
PricewaterhouseCoopers	Certified Public Accountants under Professional Accountant Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
Frost & Sullivan	Industry consultant

10. Consents of experts

Each of the experts named above has given and has not withdrawn its written consent to the issue of this document with copies of its reports, valuation, letters or opinions (as the case may be) and the references to its names or summaries of opinions included herein in the form and context in which they respectively appear.

11. 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 Ordinance so far as applicable.

12. Taxation of holders of Shares

(a) *Hong Kong*

Dealings in Shares registered on our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty. The sale, purchase and transfer of Shares are 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 value of the Shares being sold or transferred.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(b) The Cayman Islands

Under the present Cayman Islands law, transfers and other dispositions of Shares are exempt from Cayman Islands stamp duty other than in respect of companies that hold an interest in land in the Cayman Islands.

(c) Consultation with professional advisors

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

13. Miscellaneous

- (a) Except as disclosed herein:
 - (i) within two years preceding the date of this document:
 - (aa) no share or loan capital of our Company or of any of our subsidiaries has been issued, agreed to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (bb) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and
 - (cc) no commission has been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions, for any Shares in our Company or any of our subsidiaries;
 - (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) our Group does not have any outstanding convertible debt securities or debentures;
- (b) our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since May 31, 2023 (being the date to which the latest combined financial statements of our Group were made up);
- (c) no equity or debt securities of our Company is listed or dealt in on any stock exchange, nor is any listing or permission to deal being or proposed to be sought;
- (d) the [REDACTED] does not involve the exercise of any right of pre-emption or the transfer of subscription rights;

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

- (e) 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; and
- (f) there is no arrangement under which future dividends are waived or agreed to be waived.

14. Bilingual document

The English language and Chinese language versions of this document are being published separately, in reliance upon the exemption provided under Section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).