

A. FURTHER INFORMATION ABOUT OUR GROUP**1. Incorporation of our Company**

Our Company was incorporated in the Cayman Islands with limited liability under the Companies Act as an exempted company on 21 May 2019 with our registered office located at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. Our Company has established a principal place of business in Hong Kong at Level 20, Infinitus Plaza, 199 Des Voeux Road Central and was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on 11 November 2019. In connection with such registration, Mr. Lo Cheuk Kwong Raymond has been appointed as the authorised representative of our Company. The address for service of process on our Company in Hong Kong is Level 20, Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong.

As our Company is incorporated in the Cayman Islands, it operates subject to the Companies Act and our constitution, which comprises the Memorandum and the Articles of Association. A summary of various parts of the constitution and relevant aspects of the Companies Act is set out in the section headed “Summary of the constitution of our Company and Cayman Islands Company Law” in Appendix IV to this prospectus.

2. Changes in the share capital of our Company

The following changes in the share capital of our Company have taken place since the date of incorporation and up to the Latest Practicable Date:

- (a) On 21 May 2019, our Company was incorporated in the Cayman Islands with limited liability with an authorised share capital of US\$50,000 divided into 50,000 Shares of US\$1.00 each. On the same day, one Share credited as fully paid, was allotted and issued to Vistra (Cayman) Limited, our initial subscriber and an Independent Third Party. On the same day, the initial subscriber’s one Share was transferred at par value of US\$1.00 to Richard’s Resource. On the same day, our Company allotted and issued five and 94 Shares credited as fully paid, to Richard’s Resource and Majestic Gold, respectively;
- (b) On 24 April 2020, the authorised and issued share capital of our Company were re-dominated by (i) an increase in our Company’s authorised share capital by HK\$370,000 by the creation of an additional 37,000,000 Shares of HK\$0.01 each; (ii) an allotment and issue of 75,200 Shares and 4,800 Shares of HK\$0.01 each to Majestic Gold and Richard’s Resource, respectively; (iii) a repurchase of 94 shares and six shares of US\$1.00 each then held by Majestic Gold and Richard’s Resource, respectively; and (iv) following the above repurchase, a diminution in the authorised but unissued share capital of our Company by the cancellation of 50,000 shares of US\$1.00 in the share capital of our Company;
- (c) On 30 November 2023, the authorised share capital of our Company was increased from HK\$370,000 divided into 37,000,000 Shares of HK\$0.01 each to HK\$100,000,000 divided into 10,000,000,000 Shares of HK\$0.01 each by the creation of 9,963,000,000 additional Shares of HK\$0.01 each.

Assuming the Global Offering becomes unconditional, immediately following completion of the Global Offering and the Capitalisation Issue (taking no account of the Shares which may be issued upon the exercise of the Over-allotment Option or the options granted or to be granted under the Share Option Scheme), the authorised share capital of our Company will be HK\$100,000,000 divided into 10,000,000,000 Shares and the issued share capital of our Company will be HK\$20,000,000 divided into 2,000,000,000 Shares, fully paid or credited as fully paid, with 8,000,000,000 Shares remaining unissued.

Other than pursuant to the Issue Mandate to issue Shares referred to in the paragraph headed “A. Further information about our Group — 6. Written resolutions of our Shareholders passed on 30 November 2023” in this appendix to this prospectus, our Directors do not have any present intention to issue any of the authorised but unissued share capital of our Company and, without prior approval of our Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Save as disclosed in this appendix and in the section headed “History, Reorganisation and corporate structure” in this prospectus, there has been no alteration in the share capital of our Company since our incorporation.

3. Corporate Reorganisation

In order to rationalise our corporate structure and business, our Group underwent the corporate Reorganisation. Please refer to the section headed “History, Reorganisation and corporate structure — Reorganisation” in this prospectus for more details.

4. Changes in share capital of our subsidiaries

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

Save as disclosed in the section headed “History, Reorganisation and corporate structure” in this prospectus, there has been no other change to the share capital of any of the subsidiaries of our Company within two years immediately prior to the date of this prospectus.

5. Particulars of our subsidiary in the PRC

Set out below is a summary of the corporate information of Yantai Zhongjia, our subsidiary established in the PRC:

Full name	煙台中嘉礦業有限公司 (Yantai Zhongjia Mining Co. Ltd*)
Date of establishment	17 March 2005
Place of establishment	The PRC
Corporate nature	Limited liability company (Foreign investment, non-wholly owned)
Registered capital	RMB168,705,500
Attributable interest of our Company	75%
Term of business operation	Indefinite
Scope of business (as shown on the business licence)	Geological exploration, mining (valid under license), processing of gold and precious metals and sale of self-made products
Legal representative	Mr. Zhou Shufeng (周書鋒)

6. Written resolutions of our Shareholders passed on 30 November 2023

Pursuant to written resolutions passed by all the then Shareholders on 30 November 2023, the following resolutions, among other resolutions, were duly passed:

- (a) our Company approved and adopted the Memorandum and Articles of Association, the terms of which are summarised in Appendix V to this prospectus, with effect from the Listing Date;
- (b) the authorised share capital of our Company was increased from HK\$370,000 divided into 37,000,000 Shares of HK\$0.01 each to HK\$100,000,000 divided into 10,000,000,000 Shares of HK\$0.01 each by the creation of an additional 9,963,000,000 Shares of HK\$0.01 each, ranking *pari passu* with the existing Shares in all respects;

- (c) conditional upon (i) the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue and to be issued (pursuant to the Global Offering, the Over-allotment Option and the Share Option Scheme) as mentioned in this prospectus; and (ii) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as a result of the waiver of any condition(s)) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise:
- (i) the Global Offering and the Over-allotment Option were approved and our Directors were authorised to approve to allot and issue the Offer Shares and the Shares as may be required to be allotted and issued upon the exercise of the Over-allotment Option on and subject to the terms and conditions stated in this prospectus;
 - (ii) the rules of the Share Option Scheme, the principal terms of which are set out in the paragraph headed “D. Share Option Scheme” in this appendix, were approved and adopted, and our Directors or any committee thereof established by our Board were authorised, at their sole discretion, to: (i) administer the Share Option Scheme; (ii) modify/amend the rules of the Share Option Scheme from time to time as such modification/amendments may be acceptable or not objected by, nor required to be approved by our Shareholders under applicable laws, rules and regulations, including the Listing Rules; (iii) grant options to subscribe for Shares under the Share Option Scheme up to the limits referred to in the Share Option Scheme; (iv) allot, issue and deal with the Shares pursuant to the exercise of any option which may be granted under the Share Option Scheme; (v) make application at the appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any Shares or any part thereof that may hereafter from time to time be allotted and issued pursuant to the exercise of the options granted under the Share Option Scheme; and (vi) take all such actions as they consider necessary, desirable or expedient to implement or give effect to the Share Option Scheme; and
 - (iii) conditional on the share premium account of our Company being credited as a result of the issue of the Offer Shares of the Global Offering, our Directors were authorised to capitalise HK\$14,999,200 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 1,499,920,000 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 30 November 2023 (or as they may direct) 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 shareholdings in our Company and so that the Shares to be allotted and issued pursuant to the resolution should rank *pari passu* in all respects with the then existing issued Shares and our Directors were authorised to give effect to such capitalisation;
- (d) a general unconditional mandate was given to our Directors to allot, issue and deal with Shares (including the power to make or grant an offer or agreement, or grant securities or options which would or might require Shares to be allotted and issued), otherwise than by

way of 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 of Association or pursuant to the issue of Shares upon the exercise of any subscription or conversion rights attached to any warrants of our Company (if any) or pursuant to the exercise of options which may be granted under the Share Option Scheme or any other option scheme(s) or similar arrangement for the time being adopted for the grant or issue to directors and/or officers and/or employees of our Company and/or any of our subsidiaries or rights to acquire Shares or pursuant to a specific authority granted by our Shareholders in general meeting, not exceeding 20% of the number of Shares in issue and to be issued immediately following completion of the Global Offering but before any exercise of the Over-allotment Option until the conclusion of the next annual general meeting of our Company, unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions 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 law of the Cayman Islands to be held or the passing of an ordinary resolution by our Shareholders in general meeting of our Company varying or revoking the authority given to our Directors, whichever occurs first.

- (e) a general unconditional mandate was given to our Directors to exercise all powers of our Company to repurchase Shares on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, such number of Shares not exceeding 10% of the number of Shares in issue immediately following completion of the Global Offering but before any exercise of the Over-allotment Option until the conclusion of the next annual general meeting of our Company, unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions 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 law of the Cayman Islands to be held or the passing of an ordinary resolution by our Shareholders in general meeting of our Company varying or revoking the authority given to our Directors, whichever occurs first; and
- (f) conditional on the passing of the resolutions referred in sub-paragraphs (d) and (e) above, the extension of the general mandate to allot, issue and deal with Shares as mentioned in paragraph (d) above by the addition to the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by our Directors pursuant to such general mandate of the total number of Shares repurchased by our Company pursuant to paragraph (e) above, provided that such extended amount shall not exceed 10% of the total number of Shares in issue immediately following the Global Offering but before any exercise of the Over-allotment Option until the conclusion of the next annual general meeting of our Company, unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions 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 law of the Cayman Islands to be held or the passing of an

ordinary resolution by our Shareholders in general meeting of our Company varying or revoking the authority given to our Directors, whichever occurs first, be and is hereby approved.

7. Repurchase by our Company of our own securities

(a) *Listing Rules*

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

(i) *Shareholders' approval*

All proposed repurchases of securities (which must be fully paid up) must be approved in advance by an ordinary resolution of our Shareholders in a general meeting, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to the written resolutions passed on 30 November 2023 by all our then Shareholders, a general unconditional mandate (the “**Repurchase Mandate**”) was granted to our Directors to exercise all powers of our Company to repurchase on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, such number of Shares not exceeding 10% of the total number of Shares in issue or to be issued immediately following completion of the Global Offering and the Capitalisation Issue (taking no account of the Shares which may be taken up under any exercise of the Over-allotment Option or the options under the Share Option Scheme), 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 any applicable laws or the Articles of Association to be held or when such mandate is revoked or varied by an ordinary resolution of the then Shareholders in general meeting, whichever occurs first.

(ii) *Core connected persons*

The Listing Rules prohibit a company from knowingly repurchasing securities on the Stock Exchange from a “core connected person”, that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or a close associate of any of them, and a core connected person shall not knowingly sell his securities to the company on the Stock Exchange.

(iii) *Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles of Association, the applicable laws of the Cayman Islands and the Listing Rules. A listed company is prohibited from repurchasing 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.

Under the Cayman Islands laws, any repurchase of securities by our Company may be made out of profits or share premium of our Company or out of a fresh issue of Shares made for the purpose of the repurchase or, subject to the Companies Act, out of capital and, in the

case of any premium payable on the repurchase, out of the profits of our Company or from sums standing the credit of the share premium account of our Company or, subject to the Companies Act, out of capital.

(iv) *Status of repurchased Shares*

The Listing of all repurchased Shares (whether offered on the Stock Exchange or otherwise) will automatically be cancelled and the certificates for those Shares shall be cancelled and destroyed.

(v) *Trading restrictions*

A listed company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, a listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange.

The Listing Rules also prohibit a listed company from repurchasing its securities on the Stock Exchange if the repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange.

A listed company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

(vi) *Suspension of repurchase*

Pursuant to the Listing Rules, a listed company may not make any repurchases of shares after inside information has come to its knowledge until the information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of: (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of a listed company's results for any year, half-year, quarter-year or any other interim period (whether or not required by the Listing Rules); and (ii) the deadline for a listed company to publish an announcement of its results for any year, half-year or quarter-year period under the Listing Rules, or any other interim period (whether or not required under the Listing Rules), and in each case ending on the date of the results announcement, the listed company may not repurchase its shares on the Stock Exchange unless the circumstances are exceptional.

(vii) *Reporting requirements*

Certain information relating to repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following Business Day. In addition, a listed company's annual report is required to disclose details regarding repurchases of securities made during the year, including a monthly analysis of the number of securities repurchased, the purchase price per share or the highest and lowest price paid for all such purchase, where relevant, and the aggregate prices paid.

(b) *Reasons for repurchase*

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

(c) *Funding of repurchase*

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

The exercise in full of the Repurchase Mandate, on the basis of 2,000,000,000 Shares in issue immediately after the completion of the Global Offering and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme), would result in up to 200,000,000 Shares being repurchased by our Company during the period in which the Repurchase Mandate remains in force.

There might be a material adverse impact on the working capital or gearing position of our Company (as compared with the position disclosed in this prospectus) in the event that the Repurchase Mandate is exercised in full. However, our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company and our subsidiaries or the gearing levels which, in the opinion of our Directors, are from time to time appropriate for our Company and our subsidiaries.

(d) *General*

None of our Directors or, to the best of their knowledge having made all reasonable enquiries, any of their close associates have any present intention to sell any Shares 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 Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands.

If, as a result of a share repurchase, 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. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code) may obtain or consolidate control of our Company and 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 aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchase made pursuant to the Repurchase Mandate.

Our Directors will not exercise the Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falls below 25% of the total number of Shares in issue.

Our Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months prior to the Latest Practicable Date.

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

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by our Company or our subsidiaries within the two years preceding the date of this prospectus and are or may be material:









- (a) the letter of waiver of debt dated 25 October 2022 between Majestic Gold Corp. and Yantai Zhongjia Mining Co. Ltd. pursuant to which Majestic Gold Corp. waived the amount of RMB10,770,000 previously advanced to Yantai Zhongjia Mining Co. Ltd.;
- (b) the letter of waiver of debt dated 25 October 2022 between Yantai City Dahedong Mineral Processing Co. Ltd. and Yantai Zhongjia Mining Co. Ltd. pursuant to which Yantai City Dahedong Mineral Processing Co. Ltd. waived the amount of RMB36,349,431.83 previously advanced to Yantai Zhongjia Mining Co. Ltd.;
- (c) the Deed of Indemnity;
- (d) the Deed of Non-competition;
- (e) the Hong Kong Underwriting Agreement; and

- (f) a cornerstone investment agreement dated 13 December 2023 entered into between the Company, Dongfang Gold Industry (Hong Kong) Limited (東方金業(香港)有限公司) and Innovax Securities Limited (創陞證券有限公司), pursuant to which Dongfang Gold Industry (Hong Kong) Limited (東方金業(香港)有限公司) agreed to subscribe for 198,000,000 Shares at a maximum price of HK\$0.75 per share.


2. Intellectual property rights of our Group

(a) Trademarks

As at the Latest Practicable Date, we had registered the following trademark in Hong Kong:

Trademark	Owner	Classes	Registration number	Duration of validity
(A)  (B) 	Our Company	14, 37, 42	305134004	5 December 2019 – 4 December 2029
(A)  (B) 	Our Company	14, 37, 42	305943295	26 April 2022 – 25 April 2032
(A)  (B) 	Our Company	14, 37, 42	305963220	20 May 2022 – 19 May 2032
(A)  (B) 	Our Company	14, 37, 42	305963239	20 May 2022 – 19 May 2032

As at the Latest Practicable Date, we had registered the following trademark in the PRC:

Trademark	Owner	Classes	Registration number	Duration of validity
	Our Company	7, 37, 42	50746519	7 August 2021 – 6 August 2031

(b) Patents

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

No.	Patent Name	Patent type	Patentee	Place of registration	Patent number	Grant date	Expiry date
1.	A concentrating machine (一種選礦機)	Invention patent	Yantai Zhongjia	PRC	201811083735X	16 June 2020	18 September 2038
2.	An automatic irrigation system based on slope protection purpose (一種基於邊坡防護目的的自動灌溉系統)	Utility model patent	Yantai Zhongjia	PRC	2019214766993	9 October 2020	6 September 2029
3.	A detachable and degradable environment friendly dust screen (一種便於拆卸的可降解環保防塵網)	Utility model patent	Yantai Zhongjia	PRC	2019214866879	9 June 2020	9 September 2029
4.	A new intelligent NC dosing device (一種新式智能數控加藥裝置)	Utility model patent	Yantai Zhongjia	PRC	2019214866830	28 July 2020	9 September 2029
5.	A Yin-yang high performance abrasion-resistance ball (一種陰陽型高性能耐磨球)	Utility model patent	Yantai Zhongjia	PRC	2019214954475	15 May 2020	10 September 2029
6.	An energy-efficient wet iron separator (一種節能高效濕式除鐵器)	Utility model patent	Yantai Zhongjia	PRC	2019215426819	11 August 2020	17 September 2029
7.	A drainage well water yield real-time monitoring device (一種排滲井出水量的實時監測裝置)	Utility model patent	Yantai Zhongjia	PRC	201921704803X	28 July 2020	12 October 2029
8.	A shrink and adjust sensitive riffle (一種縮分調節靈敏的二分器)	Utility model patent	Yantai Zhongjia	PRC	2019219014339	14 July 2020	6 November 2029
9.	An uncoupled air spacer for charging (一種用於裝藥的不耦合式空氣間隔柱)	Utility model patent	Yantai Zhongjia	PRC	2019219436504	14 July 2020	12 November 2029
10.	A quick reading and accurate measuring device for the length of gun-mud filling (一種讀數快測值精準的炮泥填塞長度測量裝置)	Utility model patent	Yantai Zhongjia	PRC	2019220600069	14 July 2020	26 November 2029
11.	A high precision measuring device for tailing pulp quantity (一種測量精度高的尾礦漿量測量裝置)	Utility model patent	Yantai Zhongjia	PRC	2020231395709	14 September 2021	22 December 2030

No.	Patent Name	Patent type	Patentee	Place of registration	Patent number	Grant date	Expiry date
12.	A vegetation fixtures for strengthening the stability of rocky slopes (一種加強岩質邊坡穩定性的植被固定裝置)	Utility model patent	Yantai Zhongjia	PRC	2020231471011	14 September 2021	23 December 2030
13.	A high stability slope rockfall monitoring device for open-pit mine (一種用於露天礦的穩定性高的邊坡落石監測裝置)	Utility model patent	Yantai Zhongjia	PRC	2020231687162	14 September 2021	24 December 2030
14.	An underground filling aggregate strength testing device (一種井下充填骨料強度檢測裝置)	Utility model patent	Yantai Zhongjia	PRC	2020231685449	1 October 2021	24 December 2030
15.	A sprinkler with wide coverage for underground fire safety (一種用於井下消防安全的覆蓋面廣的噴淋裝置)	Utility model patent	Yantai Zhongjia	PRC	202023206037X	17 September 2021	25 December 2030
16.	A warning device for preventing from entering into underground mine working area accidentally (一種地下礦山作業區域防誤入警戒裝置)	Utility model patent	Yantai Zhongjia	PRC	2020232056726	14 September 2021	25 December 2030
17.	A ball mill that reduces the collision and wear between the grinding body and the liner (一種減小研磨體與襯板碰撞磨損的球磨機)	Invention patent	Yantai Zhongjia	PRC	2021108684733	12 April 2022	30 July 2041
18.	A mining production data information management device that is simple for maintenance (一種便於檢修的礦業生產數據信息管理裝置)	Utility model patent	Yantai Zhongjia	PRC	2021234213800	28 June 2022	31 December 2031
19.	A safety treatment device for blasting charge blockage and cleaning (一種炮孔裝藥堵塞清理安全處理裝置)	Utility model patent	Yantai Zhongjia	PRC	2022201085628	28 June 2022	17 January 2032
20.	A new type of rotary beneficiation feeder (一種新型旋轉選礦給料機)	Utility model patent	Yantai Zhongjia	PRC	202220248022X	28 June 2022	2 February 2032
21.	An ore transmission device convenient for maintenance (一種便於維修的礦石傳輸裝置)	Utility model patent	Yantai Zhongjia	PRC	2022200124841	30 August 2022	5 January 2032
22.	An angle-adjustable mobile mineral conveying device (一種角度可調的移動式礦料輸送裝置)	Utility model patent	Yantai Zhongjia	PRC	2022200517681	30 August 2022	11 January 2032

No.	Patent Name	Patent type	Patentee	Place of registration	Patent number	Grant date	Expiry date
23.	A small-scale ore filling device (一種小規模礦體填充裝置)	Utility model patent	Yantai Zhongjia	PRC	2022201803375	30 August 2022	24 January 2032
24.	An easy-to-use crushing equipment for ore processing (一種便於使用的選礦用破碎設備)	Utility model patent	Yantai Zhongjia	PRC	2022202924362	28 October 2022	14 February 2032
25.	A system and method for comprehensive resource utilization of gold ore associated minerals (一種金礦共伴生礦物的資源化綜合利用系統及方法)	Invention patent	Yantai Zhongjia, China University of Mining & Technology (中國礦業大學) and Jiangsu Yiyi Hehua Screening Equipment Co., Ltd. (江蘇億億和華篩分設備有限公司)	PRC	2021110168028	20 September 2022	31 August 2041
26.	A device for preventing excavator hydraulic breaker parts from falling (一種防止挖掘機液壓破碎錘部件掉落的裝置)	Utility model patent	Yantai Zhongjia	PRC	2022227785265	17 February 2023	21 October 2032
27.	A device for suppressing dust from tail gas emission of mining transport trucks (一種抑制礦用運輸卡車尾氣排放揚塵的裝置)	Utility model patent	Yantai Zhongjia	PRC	2022229016243	17 February 2023	2 November 2032
28.	A High Efficiency Medium and Deep Hole Charger (一種效率高的中深孔裝藥器)	Utility model patent	Yantai Zhongjia	PRC	2022235102015	16 May 2023	28 December 2032
29.	A rapid detection device for roadway roof pumice (一種快速探測巷道頂板浮石裝置)	Utility model patent	Yantai Zhongjia	PRC	2023201102115	18 July 2023	16 January 2033

(c) Software copyrights

As at the Latest Practicable Date, our Group had registered the following software copyrights in the PRC which are material to our Group's business:

No.	Registered No.	Software Name	Copyright Owner	Date of registration
1	2019SR1028291	Zhongjia Blasting Supervision Dynamic Control Software V1.0 (中嘉爆破監理動態管控軟件V1.0)	Yantai Zhongjia	11 October 2019
2	2019SR1028293	Zhongjia Mining Visual 3D Scene Reproduction and Visualisation Management System V1.0 (中嘉礦業三維場景再現可視化管理系統V1.0)	Yantai Zhongjia	11 October 2019
3	2019SR1035701	Zhongjia Online Safety Monitoring and Controlling System of Tailings dam V1.0 (中嘉尾礦庫在線安全監測監控系統V1.0)	Yantai Zhongjia	12 October 2019
4	2019SR1035740	Zhongjia Open Truck Digital Dispatching System V1.0 (中嘉露天卡車鑛運數字化調度系統V1.0)	Yantai Zhongjia	12 October 2019
5	2019SR1035810	Zhongjia 3D Mine Surveying Integrated Information Management Software V1.0 (中嘉三維礦業測量綜合信息管理軟件V1.0)	Yantai Zhongjia	12 October 2019
6	2023SR0330049	A mine goaf detection and monitoring system V1.0 (一種礦山採空區探測及監測系統V1.0)	Yantai Zhongjia	14 March 2023
7	2023SR1000612	A non-coal mine rubber-tired vehicle management system V1.0 (一種非煤礦山膠輪車車輛管理系統V1.0)	Yantai Zhongjia	1 September 2023

(d) Art copyrights

As at the Latest Practicable Date, our Group had registered and maintained the following art copyright in the PRC which is material to our Group's business:

Registered No.	Art type	Copyright Owner	Date of registration
2020F00987491	Art product	Our Company	24 February 2020

(e) Domain names

As at the Latest Practicable Date, our Group had registered and maintained the following domain names which are material to our Group's business:

Domain name	Registration date	Expiry date	Registrant
www.persisteresource.com	22 May 2022	22 May 2024	Our Company
www.zj-mining.cn	8 January 2018	8 January 2027	Yantai Zhongjia

The above domain names will be renewed prior to their respective expiration.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS, SENIOR MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS

1. Interests and short position of Directors and the chief executive in the shares, underlying shares or debentures of our Company and its associated corporations

So far as the Directors are aware, immediately following completion of the Global Offering and the Capitalisation Issue and without taking into account of any Shares which may be issued upon the exercise of the Over-allotment Option and any options which may be granted under the Share Option Scheme, based on the information available on the Latest Practicable Date, the interests or short positions of our Directors and the chief executive of our Company in the shares, underlying shares and 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 short positions which they are 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 recorded 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 contained in the Listing Rules, will be as follows:

(a) Interest in Shares of our Company

Name of Director	Nature of interests	Number of Shares	Approximate % of interest in our Company
Nil			

(b) Interest in associated corporation of our Company

Name of Director	Name of associated corporation	Nature of interests	Number of shares held in the associated corporation	Approximate % of interest in associated corporation
Mackie James Thomas	Majestic Gold	Beneficial Owner	100,000	0.01

Notes:

- All interests stated are long positions.

2. Interests and short positions of substantial shareholders in the shares or underlying shares of our Company

So far as our Directors are aware, immediately following the Global Offering and the Capitalisation Issue and without taking into account of any Shares which may be issued upon the exercise of the Over-allotment Option and any options which may be granted under the Share Option Scheme, the following on person(s), not being Directors or chief executive of our Company, who (based on the information available on the Latest Practicable Date) will have the interests or short positions in the Shares or underlying Shares of our Company which will fall to be disclosed to our Company under the provisions of divisions 2 and 3 of part XV of the SFO, or, directly or indirectly interested in 10% of more of the issued voting shares of any other member of our Group:

(a) Interests and short positions in our Shares and underlying Shares

Name	Nature of interests	Number of Shares	Approximate % of shareholding
Majestic Gold	Beneficial owner	1,410,000,000	70.5

(b) Interests of substantial shareholders of any member of our Group (other than our Company)

Name of subsidiary	Name of shareholder	% of interest
Yantai Zhongjia	Dahedong ^(Note)	25

Note: As at the Latest Practicable Date, Dahedong was owned as to 50% by Mr. Kong Fanbo, and the remaining equity interests held in equal share of approximately 16.67% by each of (i) Mr. Kong Fanzhong; (ii) Mr. Wang Lei; and (iii) SDZJ. Mr. Kong Fanbo and Mr. Kong Fanzhong are brothers and Mr. Wang Lei is their brother-in-law.

3. Particulars of Directors' service contracts and letters of appointment

Each of our executive Directors, namely, Dr. Shao, Mr. Mackie James Thomas, Mr. Lo Cheuk Kwong Raymond and Mr. Chen Shaohui, has entered into a service agreement with our Company for an initial term of three years commencing from the Listing Date. During the initial term, either party to the service agreement shall be entitled to terminate the service agreement by serving not less than three months' written notice upon the other side.

Each of our executive Directors is entitled to a discretionary bonus, the amount of which is determined with reference to the operating results of our Group and the performance of our executive Directors. Each of our executive Directors shall abstain from voting and not be counted in the quorum in respect of any resolution of our Board regarding the amount of annual salary and discretionary bonus payable to himself.

Each of our independent non-executive Directors, namely, Dr. Malaihollo Jeffrey Francis A, Mr. Chan Ngai Fan, Dr. Zeng Ming and Ms. Liu Li has entered into a letter of appointment with our Company for an initial term of three years commencing from the Listing Date. During the initial term, either party shall be entitled to terminate the term by serving not less than three months' written notice upon the other side.

Each of our Directors is entitled to the respective basic salary/service fee set out below (subject to annual adjustment after consultation with remuneration committee at the discretion of our Directors, and taking no account of the discretionary bonus they may be entitled to).

Our Company shall reimburse our Directors, upon production of valid receipts and/or vouchers if requested, all necessary and reasonable expenses (including travel, hotel, meals and other out-of-pocket expenses) properly incurred by our Directors in the performance of their duties under the service contracts or letters of appointment.

The current basic annual salaries/service fees (excluding discretionary bonus) of each of our Directors are as follows:

Name	Annual basic salary/service fee
<i>Executive Directors</i>	
Dr. Shao Xuxin	HK\$1,500,000
Mr. Mackie James Thomas	HK\$1,300,000
Mr. Lo Cheuk Kwong Raymond	HK\$1,200,000
Mr. Chen Shaohui	HK\$300,000
<i>Independent non-executive Directors</i>	
Dr. Malaihollo Jeffrey Francis A	HK\$240,000
Mr. Chan Ngai Fan	HK\$240,000
Dr. Zeng Ming	HK\$240,000
Ms. Liu Li	HK\$240,000

Save 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 the employer within one year without the payment of compensation (other than statutory compensation).

4. Directors' remuneration

Our Company's policies concerning remuneration of executive Directors are (i) the amount of remuneration is determined on the basis of the relevant Director's experience, responsibility, workload and the time devoted to our Company; and (ii) non-cash benefits may be provided to our Directors under their remuneration package.

For the three years ended 31 December 2022 and the six months ended 30 June 2023, the aggregate amount of salaries and other allowances, discretionary bonus, retirement scheme contributions, other social welfare and benefits in kind (if applicable) paid by our Group to our Directors amounted to approximately RMB2.0 million, RMB1.7 million, RMB2.1 million and RMB1.2 million, respectively. For further details in respect of our Directors' remuneration, please refer to the Appendix I to this prospectus.

During the Track Record Period, no remuneration was paid by our Group to, or receivable by, our Directors (i) as an inducement to join or upon joining our Group or (ii) for loss of any 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. None of our Directors had waived any remuneration during the Track Record Period.

Save as disclosed in this prospectus, for the three years ended 31 December 2022 and the six months ended 30 June 2023, no other emoluments have been paid or are payable by our Company to our Directors. Under the arrangements currently in force within our Group, our Company estimates that the aggregate remuneration (including fees, salaries, allowances, pension-defined contribution plans and other benefits in kind where applicable) of our Directors (including independent non-executive Directors in their capacity as Directors), excluding any discretionary benefits or bonuses or other fringe benefits, for the year ending 31 December 2023 will be approximately RMB2.4 million.

Save as disclosed in Appendix I to this prospectus, none of our Directors received any other remuneration or benefits in kind from our Group during the Track Record Period.

5. Related party transactions

Save as disclosed in this prospectus and in Note 34 to the Accountants' Report, the text of which is set out in Appendix I to this prospectus, during the three years immediately preceding the date of this prospectus, we had not engaged in any other material related party transactions.

6. Disclaimers

Save as aforesaid and saved as disclosed elsewhere in this prospectus:

- (a) none of our Directors or the chief executive of our Company, as at the Latest Practicable Date, has any interest or short position in any share, underlying share and debenture of our Company or any of its associated corporations (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 (including interests and short positions which they are 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 contained in the of the Listing Rules, to be notified to our Company and the Stock Exchange, in each case once the Shares are listed on the Stock Exchange;
- (b) save in connection with the Underwriting Agreements, none of the experts referred to in the paragraph headed “E. Other information — 11. Consents of experts” of this appendix has any shareholding in any member of our Group or the right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group;
- (c) none of the experts referred to in the paragraph headed “E. Other information — 11. Consents of experts” of this appendix has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this prospectus, 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;
- (d) taking no account of Shares which may be pursuant to options which may be granted under our Share Option Scheme, none of our Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the Global Offering, have any interest in 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 interested, directly or indirectly, in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of our Group;
- (e) none of our Directors 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 prospectus, acquired or disposed of by or leased to any member of our Group;
- (f) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole; and
- (g) our Directors confirm that none of our Directors, their respective close associates or Shareholders who are interested in 5% or more of the issued share capital of our Company have any interest in the five largest customers or the five largest suppliers or the five largest subcontractors of our Group.

D. SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the written resolutions of our Shareholders passed on 30 November 2023. The terms of the Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules.

1. Purpose

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the Eligible Participants (as defined in paragraph 2 below) have had or may have made to our Group by:

- (i) motivating the Eligible Participants to optimise their performance and efficiency for the benefit of our Group; and
- (ii) attracting and retaining or otherwise maintaining on-going business relationships with the Eligible Participants whose contributions are or will be beneficial to our Group.

2. Who may join

Our Board may, at its discretion, invite any person belonging to any of the following classes of persons (the “**Eligible Participants**”) to take up options to subscribe for Shares:

- (i) any directors, employees, executives or officers of our Company or any of our subsidiaries, including persons who are granted Options as an inducement to enter into employment contracts with our Company or any of our Subsidiaries (the “**Employee Participants**”);
- (ii) any directors or employees of the holding companies, fellow subsidiaries or associated companies of our Company (the “**Related Entity Participants**”);
- (iii) any persons who provide services to our Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of our Group including advisers, consultants, suppliers and agents to our Group (the “**Service Provider Participants**”), but excluding placing agents, financial advisors providing advisory services for fundraising, mergers or acquisitions, professional services providers such as auditors and valuers who provide assurance, or are required to perform their services with impartiality or objectivity; and
- (iv) an associate of any of the persons referred to in paragraphs (i) or (ii) above.

The eligibility of any of the above categories of Eligible Participants to the grant of any option shall be determined by our Board from time to time on the basis of our Board’s sole opinion as to the relevant Eligible Participant’s contribution to the development and growth of our Group, the assessment of which are:

- (i) contribution to the development and performance of our Group;

- (ii) quality of work performed for our Group;
- (iii) initiative and commitment in performing his/her duties; and
- (iv) length of service or contribution to our Group.

3. 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 acceptances of the options duly signed by the grantee, together with a remittance in favour 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 acceptance date. Such payment shall in no circumstances be refundable. Any offer may be accepted by an Eligible Participant 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 and accepted by the Eligible Participant. 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 12, 13, 14, 15 and 16 below, 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, and 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 for the full amount of the subscription price for the 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 auditors' or independent financial adviser's certificate pursuant to paragraph 18 below, our Company shall allot and issue the relevant number of Shares to the grantee credited as fully paid and issue to the grantee a share certificate for the Shares so allotted.

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

4. Maximum number of Shares

The maximum number of Shares in respect of which options may be granted (including Shares in respect of which options, whether exercised or still outstanding, have already been granted) under the Share Option Scheme and under any other share option schemes of our Company must not in aggregate exceed 10% of the total number of Shares in issue at the time dealings in the Shares first commence on the Stock Exchange, being 200,000,000 Shares (the "**Scheme Limit**"), excluding Shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of our Company) for the purpose of calculating the Scheme Limit and, if applicable, the service provider sublimit (as defined in the Listing Rules) which

shall be set within the Scheme Limit. Subject to the issue of a circular by our Company and the approval of our Shareholders in general meeting and/or such other requirements and exceptions prescribed under the Listing Rules from time to time, our Board may:

- (i) after three years of: (a) the Adoption Date (as defined in paragraph 10 below); or (b) the date of the Shareholders' approval for the last refreshment (as applicable), seek approval from our Shareholders to refresh the Scheme Limit and, if applicable, the service provider sublimit (as defined in the Listing Rules). Any refreshment within any three-year period must be approved by our Shareholders, subject to: (1) the controlling shareholders, Directors (excluding independent non-executive Directors), chief executives of our Company, and each of their respective associates, abstaining from voting in favour of such resolution at the general meeting; and (2) the Company complying with requirements under the Listing Rules, save that the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of our Company shall not exceed 10% of our Shares in issue as at the date of approval by our Shareholders in general meeting where the Scheme Limit is refreshed; and
- (ii) seek separate approval from our Shareholders in general meeting for granting Options beyond the Scheme Limit, provided that the Options in excess of the Scheme Limit are granted only to the Eligible Participant specifically identified by our Company before such approval is sought, and the number and terms of such Options must be fixed before shareholders' approval.

If our Company conducts a share consolidation or subdivision after the Scheme Limit or the service provider sublimit (as defined in the Listing Rules) has been approved in accordance with the above paragraph, the maximum number of Shares that may be issued in respect of all Options to be granted under the Scheme Limit or the service provider sublimit (as defined in the Listing Rules) as a percentage of the total number of Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole share.

5. Maximum number of options to any one individual

Where any grant of options to an Eligible Participant would result in the Shares issued and to be issued in respect of all Options granted to such Eligible Participant (excluding any Options lapsed in accordance with the terms of the Share Option Scheme) in any 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue as at the date of such grant, such grant shall be subject to:

- (i) the issue of a circular by our Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such Eligible Participant), and such details and information as required under the Listing Rules; and

- (ii) the approval of our Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his/her close associates (or associates if such Eligible Participant is a connected person of our Company) (as defined in the Listing Rules) abstaining from voting.

The numbers and terms (including the exercise price) of options to be granted to such Eligible Participant must be fixed before our Shareholders' approval and the date of our Board meeting at which our Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares under the Listing Rules. 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:

- (i) the Eligible Participant's name, address and occupation;
- (ii) the date on which an option is offered to an Eligible Participant which must be a date on which the Stock Exchange is open for the business of dealing in securities;
- (iii) the date upon which an offer must be accepted;
- (iv) the date upon which an option is deemed to be granted and accepted in accordance with paragraph 3 above;
- (v) the number of Shares in respect of which the option is offered;
- (vi) the subscription price and the manner of payment of such price for the Shares on and in consequence of the exercise of the option;
- (vii) the date of the notice given by the grantee in respect of the exercise of the option; and
- (viii) the method of acceptance of the option which shall, unless our Board otherwise determines, be in accordance with the provision of the Share Option Scheme as set out in paragraph 3 above.

6. Subscription price

The subscription price in respect of any option shall, subject to any adjustments made under the Share Option Scheme, shall be at the absolute discretion of our Board, provided that it shall be not less than the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and

- (iii) the nominal value of a Share.

7. Granting options to connected persons

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 upon exercise of options granted and to be granted (excluding any options lapsed in accordance with the terms of the Share Option Scheme) to such person in the 12-month period up to and including the date of such grant: representing in aggregate over 0.1% of the Shares in issue, such further grant of options will be subject to the approval of the independent non-executive Directors as referred to in the above paragraph, the issue of a circular by our Company and the approval of our Shareholders in general meeting on a poll at which the grantees, their respective associates and all core connected persons of our Company shall abstain from voting in favour, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll. Any change in the terms of an option granted to a Director, chief executive or substantial shareholder of the Company or any of their respective associates is also required to be approved by our Shareholders in the manner specified in this paragraph if the initial grant of such options requires such approval (except where the changes take effect automatically under the existing terms of this Scheme).

The circular to be issued by our Company to our Shareholders pursuant to the above paragraph shall contain the following information:

- (i) the details of the number and terms of the options to be granted to each selected Eligible Participant, which must be fixed before our Shareholders' meeting and the date of our Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the subscription price under the Listing Rules;
- (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 such 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 Rules 17.02(2)(c) and (d) of the Listing Rules; and
- (iv) the information required under Rule 2.17 of the Listing Rules.

8. Restrictions on the time of grant of options

Our Board shall not make an offer to any Eligible Participant after inside information has come to our Company's knowledge until such inside information has been announced pursuant to the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:

- (i) the date of our Board meeting (such date to first be 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
- (ii) the deadline for our Company to publish an announcement of the results for any year, or 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 announcement, no option may be granted.

9. Rights are personal to grantee

An option is personal to the grantee and shall not be assignable. No grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any option or attempt to do so, subject to the Stock Exchange granting a waiver, on a case-by-case basis, the Grantee may transfer such option to a vehicle (such as a trust or a private company) for the benefit of the relevant Eligible Participant (for example, for estate planning or tax planning purposes) that would continue to meet the purpose of the Scheme and comply with the requirements under Chapter 17 of the Listing Rules. Any breach of the foregoing by a grantee shall entitle our Company to cancel any outstanding options or any part thereof granted to such grantee.

10. Time of exercise of option and duration of the Share Option Scheme

Our Board shall, in accordance with the provisions of the Share Option Scheme, be entitled but shall not be bound, at any time within a period of ten years commencing on the date on which our Shareholders of our Company approve the Share Option Scheme (the "**Adoption Date**") to make an offer to such Eligible Participant as our Board may in its discretion select to subscribe for such number of Shares at the subscription price as our Board shall determine. The Share Option Scheme shall be valid and effective until the close of business of our Company on the date which falls ten years after the Adoption Date, after which period no further options may be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme.

11. Performance target and clawback

Our Board may, at its absolute discretion, fix any minimum period for which an option must be held, any performance targets attached to an Option and any other conditions that must be fulfilled before the options can be exercised upon the grant of an option to an Eligible Participant. In any event, the minimum period for which an option must be held before it can be exercised shall be 12 months.

Our Board at its absolute discretion, determine such malus and/or clawback provisions to be applied to an option or an offer of grant so as to provide, upon the occurrence of the applicable malus and/or clawback event(s) including but not limited to serious misconduct, a material misstatement in our Company's financial statements and fraud. If our Board exercises its discretion under this paragraph, it will give the relevant grantee or Eligible Participant (as the case may be) written notice of such determination and our Board's interpretation of and determination pursuant to this paragraph shall be final, conclusive and binding.

12. Rights on ceasing employment/death

If the grantee of an option ceases to be an Eligible Participant:

- (i) by any reason other than death, ill-health, injury, disability or termination of his/her relationship with our Company and/or any of our subsidiaries on one or more of the grounds specified in paragraph 13 below, the grantee may exercise the option up to the entitlement of the grantee as at the date of cessation (to the extent not already exercised) in whole or in part in accordance with the provision of paragraph 3 above within a period of one month (or such longer period as our Board may determine) from such cessation which date shall be the last actual working day with our Company or our relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse (or such longer period as our Company may determine); or
- (ii) by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of our Board) and none of the events which would be a ground for termination of his relationship with our Company and/or any of its subsidiaries under paragraph 13 below has occurred, the grantee or his personal representative(s) may exercise the option (to the extent already exercised) in whole or in part in accordance with the provision of paragraph 3 above within a period of 12 months (or such longer period as our Board may determine) from the date of cessation of being an Eligible Participant or death.

13. Rights on dismissal

If the grantee of an option ceases to be an Eligible Participant by reason of such grantee's resignation from the employment of our Company or any of its subsidiaries or the termination of his/her employment or contract on the grounds that he/she has been guilty of serious misconduct, or has committed any act of bankruptcy or is unable to pay his/her debts or has become insolvent or has made

any arrangements or composition with his/her creditors generally, or has been convicted of any criminal offence involving his/her integrity or honesty or has been in breach of contract, an option shall lapse automatically and not be exercisable (to the extent not already exercised).

14. 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 Code)) 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.

15. Rights on winding-up

In the event that a notice is given by our Company to its 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 legal personal representative(s)) shall be entitled to exercise all or any of his 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 for the full amount of the aggregate subscription price for the 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.

16. Rights on compromise or arrangement between our Company and its 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 our amalgamation with any other companies pursuant to the laws of the jurisdiction in which our Company was incorporated, our Company shall give notice to all the grantees of the options on the same day as we give notice of the meeting to our members or creditors summoning the meeting to consider such a compromise or arrangement and any grantee may by notice in writing to our Company accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given (such notice to be received by our Company no 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.

17. Ranking of Shares

The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank *pari passu* 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 exercise, save that they will not rank for any dividend or other distribution declared or recommended or resolved to be paid or made by reference to a record date falling on or before the date of exercise.

18. 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 capitalisation issue, rights issue, consolidation, subdivision or reduction of share capital of our Company, 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 independent financial adviser shall certify in writing to our Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes. The capacity of the auditors of our Company or the approved independent financial adviser, as the case may be, in this paragraph is that of experts and not arbitrators and their certificate shall, in the absence of manifest error, be final and conclusive and binding on our Company and the grantees.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the equity capital of our Company rounded to the nearest whole Share (as interpreted in accordance with the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes) for which any grantee of an option is entitled to subscribe pursuant to the options held by him before such alteration provided that no such alteration shall be made if the effect of which 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.

19. Expiry of option

An option shall lapse automatically and shall 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 12, 13 and 14 above;

- (iii) the date upon which the scheme of arrangement of our Company referred to in paragraph 16 above becomes effective;
- (iv) subject to paragraph 15 above, the date of commencement of the winding-up of our Company;
- (v) the date upon which the grantee ceases to be an Eligible Participant by reason of such grantee's resignation from the employment of our Company or any of our subsidiaries or the termination of his or her employment or contract on the grounds that he or she has been guilty of serious misconduct, or has committed any act of bankruptcy or is unable to pay his or her debts or has become insolvent or has made any arrangement or has compromised with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or has been in breach of contract. 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 upon which our Board shall exercise our Company's right to cancel the option at any time after the grantee commits a breach of paragraph 9 above or the options are cancelled in accordance with paragraph 21 below.

20. Alteration of the Share Option Scheme

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

- (i) any alteration to the terms and conditions of the Share Option Scheme which are of a material nature or any alteration to advantage of the grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules must be approved by our Shareholders in general meeting; and
- (ii) any change to the terms of options granted to an Eligible Participant under the Share Option Scheme must be approved by our Board, the Remuneration Committee, our independent non-executive Directors and/or our Shareholders (as the case may be) if the initial grant of such options was approved by our Board, the Remuneration Committee, our independent non-executive Directors and/or our Shareholders (as the case may be) while this requirement does not apply where the alterations take effect automatically under the existing terms of the Share Option Scheme.

If the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme. The amended terms shall still comply with Chapter 17 of the Listing Rules and any change to the authority of our Board in relation to any alteration to the terms of the Share Option Scheme must be approved by our Shareholders in general meeting.

21. Cancellation of options

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 that any option is cancelled pursuant to paragraph 9 above.

22. Termination of the Share Option Scheme

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

Outstanding 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 Share Option Scheme.

23. Administration of our Board

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

24. Conditions of the Share Option Scheme

The Share Option Scheme is conditional on:

- (i) the Stock Exchange granting approval to the listing of and permission to deal on the Main Board in the Shares which may fall to be issued pursuant to the exercise of the options to be granted under the Share Option Scheme;
- (ii) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as a result of the waiver of any such condition(s) by the Sole Lead Manager) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise; and
- (iii) the commencement of dealings in the Shares on the Stock Exchange.

If the conditions in paragraph 24 above are not satisfied within 12 calendar months from the Adoption Date:

- (i) the Share Option Scheme shall forthwith determine;
- (ii) any option granted or agreed to be granted pursuant to the Share Option Scheme and any offer 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 Share Option Scheme or any option granted thereunder.

25. Disclosure requirements

Our Company will disclose details of the Share Option Scheme in its annual and interim reports including the number of options, date of grant, exercise price, exercise period and vesting period during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

Our Company will also disclose the details of the grant of options under the Share Option Scheme in accordance with the Listing Rules in force from time to time on an individual basis if such options were granted to:

- (a) a Director, chief executive officer or substantial Shareholder of our Company, or an associate of any of them;
- (b) an Eligible Participant with options and awards granted and to be granted exceeding the 1% limit set out in paragraph 5 above; or
- (c) a Related Entity Participant or Service Provider Participant with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the Shares in issue at that time.

As at the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

Application has been made to the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the options to be granted under the Share Option Scheme, being 200,000,000 Shares in total.

E. OTHER INFORMATION

1. Estate duty, tax and other indemnity

Our Directors have been advised that no material liability for estate duty would be likely to fall upon any member of our Group. Our Controlling Shareholder (the “**Indemnifier**”) has entered into the Deed of Indemnity with and in our favour (for our Company and on behalf of each of our subsidiaries) whereby the Indemnifier shall indemnify and at all times keep each member of our Group fully and effectively indemnified against, among other things:

- (a) any estate duty, death duty, inheritance tax, succession duty or any other similar tax or duty which is or becomes payable by our Company or any member of our Group by the operation of any estate duty, death duty, inheritance tax, succession duty or any other similar legislation in Hong Kong, the BVI, the Cayman Islands, the PRC, or any other relevant

- jurisdiction as a result or in consequence of any event or transaction occurring on or before the date on which the Global Offering becomes unconditional, whether or not such event or transaction shall have taken place in conjunction with any circumstances whenever occurring;
- (b) any taxation falling on any member of our Group resulting from or by reference to any income, profits or gains earned, accrued or received (or deemed to be so earned, accrued or received) or any other relevant assessable sums on or before the date on which the Global Offering becomes unconditional or any transactions, matters, things, events, acts or omissions occurring or deemed to occur on or before such date, whether alone or in conjunction with any other transaction, matter, thing, event, act, omission or circumstance whenever occurring, and whether or not such taxation is chargeable against or attributable to any other person, firm or company;
 - (c) all costs (including all legal costs), expenses, interests, penalties, fines, charges or other liabilities which any member of our Group may reasonably and properly incur in connection with:
 - (i) the investigation, assessment or the contesting of any claim under paragraph (b);
 - (ii) the settlement of any claim under paragraph (b);
 - (iii) any legal proceedings in which any member of our Group claims under or in respect of paragraph (b) and in which judgment is given for or against any member of our Group; and/or
 - (iv) the enforcement of any such settlement referred to in (ii) and/or judgment referred to in (iii).
 - (d) any and all expenses, payments, sums, outgoings, fees, demands, claims (including counterclaims), complaints, actions, proceeding, suits, litigations, arbitrations, judgments, damages, losses, costs (including but not limited to legal and other professional costs), charges, contributions, liabilities, fines, penalties and tax which any member of our Group may incur, suffer or accrue, whether directly or indirectly, from or on the basis of or in connection with any breach or non-compliance of any applicable laws, rules or regulations (whether currently in force or repealed) in the Cayman Islands, the BVI, Hong Kong, the PRC (including but not limited to non-compliance incidents not fully complying with the relevant PRC laws and regulations (including the PRC Negotiable Instruments Law)), as more particularly set out in the section headed (i) “Business — Properties — Properties with defective titles”; (ii) “Business — Compliance with laws and regulations — Non-compliant bill arrangements”; and (iii) “Business — Compliance with laws and regulations — Non-compliance incidents” in this prospectus), and/or any part of the world on or before the date on which the Global Offering becomes unconditional;

- (e) all costs (including all legal and other professional costs), expenses, interests, penalties, fines, charges or other liabilities which any member of our Group may reasonably and properly incur in connection with:
 - (i) the investigation, assessment or the contesting of any claim under paragraph (d);
 - (ii) the settlement of any claim under paragraph (d);
 - (iii) any legal proceedings in which any member of our Group claims under or in respect of paragraph (d) and in which judgment is given for or against any member of our Group; and/or
 - (iv) the enforcement of any such settlement referred to in paragraph (ii) and/or judgments referred to in paragraph (iii) above.

In addition, the Indemnifier had undertaken to indemnify and keep indemnified our Company and our subsidiaries on demand against any expenses, payments, sums, outgoings, fees, demands, claims (including counterclaims), complaints, actions, proceedings, suits, litigations, arbitrations, judgments, losses, damages, costs (including but not limited to legal and other professional costs), charges, contributions, liabilities, fines or penalties which may be made, suffered or incurred by any of them in respect of or arising directly or indirectly from any claim, including but not limited to, all reasonable costs (including legal and other professional costs), expenses, interests, penalties, fines, charges and other liabilities which our Company and our subsidiaries may properly incur in connection with:

- (i) the investigation, assessment or the contesting of any claim under the Deed of Indemnity;
- (ii) the settlement of any claim under the Deed of Indemnity;
- (iii) any legal proceedings in which any member of our Group claims under or in respect of the Deed of Indemnity and in which judgment is given for or against any member of our Group; and/or
- (iv) the enforcement of any such settlement referred to in paragraph (ii) and/or judgment referred to in paragraph (iii) above.

The Indemnifier had also undertaken to indemnify and keep indemnified our Company and our subsidiaries on demand from any depletion or reduction in value of its assets or any loss (including all legal and other professional costs and suspension of operation), costs, expenses, damages or other liabilities which any member of our Group may incur or suffer arising from or in connection with the implementation of the Reorganisation.

Save and except the above, the Indemnifier shall be under no liability under the Deed of Indemnity in respect of any tax, tax claim or tax related liability (“**such tax liability**”):

- (i) to the extent that full provision or reserve has been made for such tax liability in the audited consolidated accounts of our Group and the audited accounts of the relevant member of our Group for an accounting period ended for the three years ended 31 December 2022 and the six months ended 30 June 2023 (the “**Accounts**”) as set out in Appendix I to this prospectus;
- (ii) such tax liability for which any member of our Group is primarily liable as a result of any transactions entered into by any member of our Group in respect of any accounting period commencing on or after 30 June 2023 and ending on the date which the Global Offering becomes unconditional in the ordinary course of business, or in the ordinary course of acquiring or disposing of capital assets on or before the date on which the Global Offering becomes unconditional and carried out, made or entered into pursuant to a legally binding commitment created on or before the date of Listing or pursuant to any statement of intention made in this prospectus;
- (iii) to the extent that such liability arises or is incurred as a result of any change in the law, rules or regulations, or the interpretation or practice thereof by any statutory or governmental authority in Hong Kong, the PRC or any part of the world, including but without limitation the Inland Revenue Department, having retrospective effect coming into force after the date of the Deed of Indemnity or to the extent that such liability arises or is increased by an increase in rates of taxation, payments, fines, fees or premium as required by the PRC laws and regulations (as the case may be) after the date of the Deed of Indemnity with retrospective effect (except the imposition of or an increase in the rate of Hong Kong profits tax or any tax of any part of the world on the profits of companies for the current or any earlier financial period);
- (iv) to the extent that such liability is discharged by another person who is not any member of our Group and that no member of our Group is required to reimburse such person in respect of the discharge of the liability; and
- (v) to the extent of any provision or reserve made for such liability in the Accounts referred to in paragraph (i) above which is finally established to be an over-provision or an excessive reserve, in which case the Indemnifier’s liability (if any) in respect of taxation shall be reduced by an amount not exceeding such over-provision or excessive reserve, provided that the amount of any such provision or reserve applied to reduce the liability of the Indemnifier or any of them in respect of such liability shall not be available in respect of any such liability arising thereafter.

2. Interests in competing business

Save as disclosed in this prospectus, none of our Directors, our Controlling Shareholder and their respective close associates of each are interested in any business which competes or is likely to compete, either directly or indirectly, with the businesses of our Group.

3. Litigation

Save as disclosed in the section headed “Business — Litigation” in this prospectus, as at the Latest Practicable Date, neither our Company or any of our subsidiaries was engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance was known by our Directors to be pending or threatened by or against any member of our Group.

4. Preliminary expenses

The preliminary expenses of our Company are estimated to be approximately US\$13,450 (equivalent to approximately HK\$104,238) and are payable by our Company.

5. The Sole Sponsor

The Sponsor has made an application on behalf of our Company to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the Shares in issue as mentioned herein and any Shares falling to be issued pursuant to the Global Offering and the exercise of the Over-allotment Option. All necessary arrangements have been made enabling such Shares to be admitted into CCASS.

6. Independence of the Sole Sponsor and the Sole Sponsor’s fee

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules. Our Company agreed to pay the Sole Sponsor a fee of approximately HK\$8.0 million as the sponsor to our Company for the Listing.

7. No material adverse change

Save as disclosed in this prospectus, our Directors confirm that there has been no material adverse change in our Group’s financial or trading position since 30 June 2023 (being the date to which our Company’s latest audited consolidated financial statements were made up) up to the date of this prospectus.

8. Promoter

Our Company has no promoter for the purpose of the Listing Rules. Within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoter in connection with the Global Offering and the related transactions described in this prospectus.

9. Agency fees or commissions received

Save as disclosed in this prospectus, none of our Directors or the experts named in the paragraph headed “E. Other information — 11. Consents of experts” in this appendix had received any agency fee or commissions from our Group within the two years preceding the date of this prospectus.

10. Qualifications of experts

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

Innovax Capital Limited	Licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Ernst & Young	Certified Public Accountants
Jincheng Tongda & Neal Law Firm Shenzhen Office	Legal advisers to our Company as to PRC laws
Maples and Calder (Hong Kong) LLP	Legal adviser to our Company as to Cayman Islands laws
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant
SRK Consulting China Ltd	Competent person (with the meaning of Chapter 18 of the Listing Rules)

11. Consents of experts

Each of Innovax Capital Limited, Ernst & Young, Jincheng Tongda & Neal Law Firm Shenzhen Office, Maples and Calder (Hong Kong) LLP, Frost & Sullivan (Beijing) Inc., Shanghai Branch Co. and SRK Consulting China Ltd has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or the references to its name included herein in the form and context in which they are respectively included.

As at the Latest Practicable Date, none of the experts named above has any shareholding interests in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries.

12. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Miscellaneous Provisions) Ordinance insofar as applicable.

13. Bilingual prospectus

The English language and Chinese language versions of this prospectus 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).

14. Miscellaneous

Save as disclosed in this prospectus:

- (a) within two years immediately preceding the date of this prospectus:
 - (i) no share or loan capital of our Company or 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;
 - (ii) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries and no commission has been paid or is payable in connection with the issue or sale of any share or loan capital of our Company or any of the subsidiaries;
 - (iii) no commission has been paid or payable (except to Underwriter) for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares of our Company or any of the subsidiaries; and
- (b) no founder, management or deferred shares of our Company have been issued or agreed to be issued.
- (c) no share, warrant 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;
- (d) none of the equity and debt securities of our Company is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought;
- (e) all necessary arrangements have been made enabling the Shares to be admitted into CCASS;
- (f) our Directors confirm that none of them shall be required to hold any shares by way of qualification and none of them has any interest in the promotion of our Company;
- (g) there has not been any interruption in the business of our Group which have or have had a significant effect on the financial position of our Group in the 12 months immediately preceding the date of this prospectus;
- (h) the principal register of members of our Company will be maintained in the Cayman Islands by Maples Fund Services (Cayman) Limited and a branch register of members of our Company will be maintained in Hong Kong by Tricor Investor Services Limited. 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;
- (i) there is no arrangement under which future dividends are waived or agreed to be waived;

- (j) the Global Offering does not involve the exercise of any right of pre-emption or the transfer of subscription rights;
- (k) no company within our Group is presently listed on any stock exchange or traded on any trading system;
- (l) our Directors have been advised that under the Cayman Islands company law the use of a Chinese name by our Company does not contravene the Companies Act; and
- (m) our Company has no outstanding convertible debt securities or debentures.