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## CONNECTED TRANSACTIONS

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### CONTINUING CONNECTED TRANSACTIONS

During the Track Record Period, the Group entered into a number of transactions with entities which will be regarded as connected persons of the Company upon Listing and such transactions will constitute continuing connected transactions of the Company upon Listing under the Listing Rules. Details of these transactions are set out below.

### EXEMPT CONTINUING CONNECTED TRANSACTIONS

#### 1. Provision of the registered address of the Company's Hong Kong-incorporated subsidiaries for use by the companies controlled by Mr. Lau and Ms. Ngai as their registered address

For the years ended 30 April 2012 and 30 April 2013, the Company provided the registered address of its Hong Kong-incorporated subsidiaries, namely, 20/F., Tower B, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Hong Kong (the "Office"), for use by Hong Sing Investment Limited ("Hong Sing") (which is wholly-owned by Ms. Ngai), Mulan's Garden (HK) Limited ("Mulan") and JHC Investment Limited ("JHC Investment") (both of which are owned as to 50% by Mr. Lau and 50% by Ms. Ngai) (collectively, the "CP Companies") as their registered address (the "**Address Services**"). In return, the Group received an annual fee in an aggregate amount of HK\$40,000 from the CP Companies. Subsequent to the disposal of the Office by the Group to Hugo Grand Limited ("Hugo Grand") (which is wholly-owned by Ms. Ngai) in 27 August 2013, Hugo Grand had leased the Office to JHC (HK), therefore the Hong Kong-incorporated subsidiaries of the Company continued to use the address of the Office as their registered addresses and it is expected that the Group will continue to provide the Address Services to the CP Companies after the Listing.

Since Mr. Lau and Ms. Ngai are Directors, the CP Companies will become connected persons of the Company upon Listing under the Listing Rules. As such, the provision of the Address Services to CP Companies will constitute continuing connected transaction of the Company under Chapter 14A of the Listing Rules upon Listing.

The Directors consider that the provision of the Address Services to the CP Companies is conducted in the ordinary and usual course of business of the Group and is on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As the applicable percentage ratios in respect of the transactions under the Address Services are on an annual basis less than 0.1%, those transactions will be *de minimis transactions* upon Listing and will be exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Rule 14A.33(3) of the Listing Rules.

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### 2. Rental payable to Schelly Resources

For the year ended 30 April 2013, JHC (Malaysia) rented two premises in Malaysia from Schelly Resources pursuant to two tenancy agreements (the “**Malaysia Tenancy Agreements**”) for use as a warehouse (the “Malaysia Warehouse”). In return, Schelly Resources received from JHC (Malaysia) a monthly rent of MYR12,000 (equivalent to approximately HK\$30,000) under each of the Malaysia Tenancy Agreements. It is expected that JHC (Malaysia) will continue to rent the Malaysia Warehouse after the Listing.

Since Schelly Resources is controlled by Mr. Lim Shek Han and Ms. Hon Siew Wein, both being past directors of JHC (Malaysia), it will become a connected person of the Company upon Listing under the Listing Rules. As such, the leasing of the Malaysia Warehouse by Schelly Resources to the Group under the Malaysia Tenancy Agreements will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules upon Listing.

The Directors consider that the leasing of the Malaysia Warehouses by Schelly Resources to the Group is conducted in the ordinary and usual course of business of the Group and is on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As one or more of the applicable percentage ratios in respect of the aggregate rental payable under the Malaysia Tenancy Agreements are on an annual basis more than 0.1% but less than 5% and the aggregate annual amount for such rental payments is less than HK\$1,000,000, the transactions contemplated under the Malaysia Tenancy Agreement will be *de minimis transactions* upon Listing and will be exempt from the reporting, annual review, announcement and independent shareholders’ approval requirements under Rule 14A.33(3) of the Listing Rules.

### 3. Consultancy remuneration and annual bonus payable to Mr. Chin

Pursuant to a shareholders’ agreement dated 13 August 2013 (the “**Malaysia Shareholders Agreement**”) entered into among JHC (Management), Mr. Lim, Mr. Chin Chain Yong (“**Mr. Chin**”) and JHC (Malaysia), it is agreed among the parties that Mr. Chin shall receive a remuneration from JHC (Malaysia) for acting as its consultant at a monthly rate of MYR4,000 (equivalent to approximately HK\$10,000) for two years commencing from the date of the Malaysia Shareholders Agreement (the “Consultancy Remuneration”). Further, it is also agreed among the parties that Mr. Chin shall be entitled to an annual cash bonus in the amount of MYR186,526 (equivalent to approximately HK\$466,315) for a period of two years commencing from the financial year ending 30 April 2014 subject to the condition as set out in the Malaysia Shareholders Agreement (the “Annual Bonus”).

Since Mr. Chin is a director and substantial shareholder of JHC (Singapore) and is a substantial shareholder of JHC (Malaysia), Mr. Chin will become a connected person of the Company upon Listing under the Listing Rules. As such, the payment of the Consultancy Remuneration and the Annual Bonus by JHC (Malaysia) to Mr. Chin will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules upon Listing.

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The Directors consider that the payment of the Consultancy Remuneration and the Annual Bonus is conducted in the ordinary and usual course of business of the Group and is on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As one or more of the applicable percentage ratios in respect of the payment of the Consultancy Remuneration and the Annual Bonus are on an annual basis more than 0.1% but less than 5%, and the annual amount of such payment is less than HK\$1,000,000, such transactions are considered to be *de minimis transactions* upon Listing and will be exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Rule 14A.33(3) of the Listing Rules.

### NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

#### Leasing of warehouse, office premises and retail stores to the Group

During the Track Record Period, certain companies controlled by Mr. Lau and/or Ms. Ngai have entered into tenancy agreements with a subsidiary of the Company, pursuant to which a warehouse, an office premises and several retail stores have been leased to JHC (HK). It is expected that the tenancies under those tenancy agreements will continue after the Listing.

#### (A) Tenancy agreements between JHC (HK) and companies wholly-owned by Ms. Ngai

As at Latest Practicable Date, JHC (HK), a subsidiary of the Company, has entered into 7 tenancy agreements with certain companies wholly-owned by Ms. Ngai to lease the premises stated below in accordance with the respective terms of the relevant tenancy agreements (the "**First Batch Tenancy Agreements**").

The following table summarizes the First Batch Tenancy Agreements between our Group and the companies wholly-owned by Ms. Ngai as at Latest Practicable Date:

	<u>Landlord</u>	<u>Tenant</u>	<u>Location</u>	<u>Monthly rental</u>	<u>Term</u>	<u>Use</u>
1	Hong Sing	JHC(HK)	Shop H, G/F, Luen Tak Apartments, No.45 Smithfield Road, Hong Kong	HK\$20,000	3 years from 15 December 2010 to 14 December 2013	retail store
2	Hong Sing	JHC (HK)	No.9 Fui Sha Wai Lane, Tong Yan Sun Tsuen, Ping Shan, Yuen Long, Hong Kong	HK\$500,000	3 years from 1 March 2011 to 28 February 2014	warehouse

## CONNECTED TRANSACTIONS

	Landlord	Tenant	Location	Monthly rental	Term	Use
3	Hong Sing	JHC (HK)	Unit 15-16, 19/F, Tower B, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Hong Kong	HK\$43,000	2 years from 20 July 2012 to 19 July 2014	office
4	Hong Sing	JHC (HK)	Shop on G/F & Cockloft, No.5A Playing Field Road, Kowloon, Hong Kong	HK\$92,000	2 years from 22 December 2012 to 21 December 2014	retail store
5	Hugo Grand	JHC (HK)	Shops 10A & 10B, G/F, No. 2 Catchick Street, Sai Wan, Hong Kong	HK\$100,000	3 years from 1 May 2012 to 30 April 2015	retail store
6	Independent Third Party (Hugo Grand subsequently became landlord in February 2013)	JHC (HK)	Flat A on G/F and Flats A, C and E on the Mezzanine Floor, Nam Tai Mansion, Nos. 50-68 Shui Wo Street, Kowloon	HK\$118,000	3 years and 1 month from 1 February 2012 to 28 February 2015, which will be less than 3 years from the Listing Date up to 28 February 2015	retail store
7	Hugo Grand	JHC (HK)	20/F, Tower B, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Hong Kong	HK\$150,000	2 years from 1 August 2013 to 31 July 2015	office

American Appraisal China Limited, the Company's independent property valuer, is of the opinion that the rents payable by the Group under each of the First Batch Tenancy Agreements are or are less than the prevailing market rents in Hong Kong and that the terms of the First Batch Tenancy Agreements are fair and reasonable to the Group.

### *Historical transaction amounts*

For each of the three financial years of the Company ended 30 April 2013, the aggregate annual rental paid by the Group for renting the premises referred to in the First Batch Tenancy Agreements (including under the previously expired tenancy agreements with the same relevant landlords whereby the same premises were leased during the Track Record Period) are HK\$350,000, HK\$6,151,000, and HK\$8,492,000, respectively.

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## CONNECTED TRANSACTIONS

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### *First Batch Tenancy Framework Agreement*

Our Group expects to enter into transactions of this nature following the Listing Date and in order to ensure that all tenancy transactions between (A) Ms. Ngai and/or her associates (as defined in the Listing Rules, which include companies directly or indirectly wholly-owned by Ms. Ngai), but excluding members of the LN Group (as defined below) (collectively, the “**Ms. Ngai Group**”) and (B) members of the Group, comply with Rule 14A.35 of the Listing Rules, our Company entered into a tenancy framework agreement with Ms. Ngai (the “**First Batch Tenancy Framework Agreement**”) on 27 August 2013 which will take effect from the Listing Date.

The First Batch Tenancy Framework Agreement stipulates that, among others, all tenancy transactions between members of the Ms. Ngai Group and members of our Group must be (i) in writing; (ii) in the usual and ordinary course of business of our Company; (iii) on normal commercial terms and based on the then prevailing market rates; (iv) fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (v) in compliance with all applicable provisions of, among others, the Listing Rules and the First Batch Tenancy Framework Agreement. The First Batch Tenancy Framework Agreement expires on 30 April 2016 and is automatically renewable for successive periods of three years thereafter, subject to compliance with the then applicable provisions of the Listing Rules, unless it is terminated earlier by either party giving not less than 30 business days’ written notice to the other party or otherwise pursuant to the said agreement.

### *Annual caps*

In accordance with Rule 14A.35(2) of the Listing Rules, our Company has set annual caps for the maximum aggregate rental amount payable under the tenancy transactions between members of the Ms. Ngai Group and members of our Group pursuant to the First Batch Tenancy Framework Agreement for the years ending 30 April 2014, 2015 and 2016. It is anticipated that the aggregate annual value of rental payments made to Ms. Ngai Group by our Group for the years ending 30 April 2014, 2015 and 2016 will be approximately HK\$11,744,120, HK\$13,759,028 and HK\$15,206,400, respectively.

The annual caps stated above were determined based on the annual rental payable by the Group under each of the First Batch Tenancy Agreements together with an estimated average rent increase in respect of any renewed tenancy agreements thereof, if any, up to 30 April 2016. Such an estimate was determined by the Company primarily by reference to factors such as the prevailing market rents at the time when entering into or renewing the leases and an estimated increment in the market rents. The Directors consider that the annual caps stated above are reasonably determined pursuant to Rule 14A.35(2) of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the First Batch Tenancy Framework Agreement (including the First Batch Tenancy Agreements) were entered into in the ordinary and usual course of business of the Group and are on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## CONNECTED TRANSACTIONS

Since Ms. Ngai is a Director and Controlling Shareholder, and that each member of the Ms. Ngai group (including but not limited to Hong Sing and Hugo Grand) is wholly-owned by Ms. Ngai, each member of the Ms. Ngai group (including but not limited to Hong Sing and Hugo Grand) will become connected persons of the Company upon Listing under the Listing Rules. As such, the transactions contemplated under the First Batch Tenancy Framework Agreement (including the First Batch Tenancy Agreements) will, upon Listing, constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since all of the counter-parties to the First Batch Tenancy Framework Agreement (including the First Batch Tenancy Agreements) are wholly-owned by Ms. Ngai, pursuant to Rule 14A.25 of the Listing Rules, the transactions contemplated under the First Batch Tenancy Framework Agreement (including the First Batch Tenancy Agreements) will be aggregated when calculating the applicable percentage ratios under Rule 14.07 of the Listing Rules.

Since one or more of the applicable percentage ratios in respect of the aggregated annual caps for the transactions contemplated under the First Batch Tenancy Framework Agreement (including the First Batch Tenancy Agreements) (including any renewals thereof) is/are, on an annual basis, more than 0.1% but are less than 5%, such transactions will, upon Listing, constitute continuing connected transactions of the Company and will be subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47, the annual review requirements set out in Rules 14A.37 to 14A.40, but will be exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **(B) Tenancy agreements between JHC (HK) and companies owned by Mr. Lau and Ms. Ngai**

As at Latest Practicable Date, JHC (HK), a subsidiary of the Company, has entered into 6 tenancy agreements with certain companies owned by Mr. Lau and Ms. Ngai to lease the premises stated below in accordance with the respective terms of the relevant tenancy agreements (the “**Second Batch Tenancy Agreements**”).

The following table summarizes the Second Batch Tenancy Agreements between our Group and the companies owned by Mr. Lau and Ms. Ngai as at Latest Practicable Date:

	Landlord	Tenant	Location	Monthly rental	Term	Use
1	Independent Third Party (Mulan subsequently became the landlord in December 2010)	JHC (HK)	Shop on G/F & Cockloft, No.5 Playing Field Road, Kowloon, Hong Kong	HK\$55,000	3 years from 16 September 2010 to 15 September 2013	retail store

## CONNECTED TRANSACTIONS

	<u>Landlord</u>	<u>Tenant</u>	<u>Location</u>	<u>Monthly rental</u>	<u>Term</u>	<u>Use</u>
2	Mulan	JHC (HK)	Shop nos. 27A-31A, Basement of Mirador Mansion, No.58 Nathan Road, Kowloon, Hong Kong	HK\$175,500	2 years from 1 July 2013 to 30 June 2015	retail store
3	Mulan	JHC (HK)	Shop 1, G/F, Southern Lodge, No. 364 Un Chau Street, Kowloon, Hong Kong	HK\$102,000	2 years from 1 August 2012 to 31 July 2014	retail store
4	Mulan	JHC (HK)	G/F, 72A-C & 74A, To Kwa Wan Road, Kowloon, Hong Kong	HK\$120,000	3 years from 16 March 2013 to 15 March 2016	retail store
5	Charm Rainbow	JHC (HK)	Shop A, G/F, Catic Plaza, No.8 Causeway Road, Hong Kong	HK\$145,000	3 years from 1 October 2011 to 30 September 2014	retail store
6	JHC Investment	JHC (HK)	Shop A, G/F, Richsun Garden, No.51 Centre Street, Hong Kong	HK\$58,000	2 years from 16 September 2012 to 15 September 2014	retail store

American Appraisal China Limited, the Company's independent property valuer, is of the opinion that the rents payable by the Group under each of the Second Batch Tenancy Agreements are or are less than the prevailing market rents in Hong Kong and that the terms of the Second Batch Tenancy Agreements are fair and reasonable to the Group.

### *Historical transaction amounts*

For each of the three financial years of the Company ended 30 April 2013, the aggregate annual rental paid by the Group for renting the premises referred to in the Second Batch Tenancy Agreements (including under the previously expired tenancy agreements with the same relevant landlords whereby the same premises were leased during the Track Record Period) are HK\$4,089,000, HK\$5,706,000, HK\$6,859,000, and respectively.

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## CONNECTED TRANSACTIONS

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### *Second Batch Tenancy Framework Agreement*

Our Group expects to enter into transactions of this nature following the Listing Date and in order to ensure that all tenancy transactions between (A) any company being (i) an associate of both Mr. Lau and Ms. Ngai and/or (ii) an associate of either Mr. Lau or Ms. Ngai in the equity capital of which both Mr. Lau (and/or his associates) and Ms. Ngai (and/or her associates) have a direct or indirect interest (collectively, the “**LN Group**”) and (B) members of the Group, comply with Rule 14A.35 of the Listing Rules, our Company entered into a tenancy framework agreement with Mr. Lau and Ms. Ngai (the “**Second Batch Tenancy Framework Agreement**”) on 27 August 2013 which will take effect from the Listing Date.

The Second Batch Tenancy Framework Agreement stipulates that, among others, all tenancy transactions between members of the LN Group and members of our Group must be (i) in writing; (ii) in the usual and ordinary course of business of our Company; (iii) on normal commercial terms and based on the then prevailing market rates; (iv) fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (v) in compliance with all applicable provisions of, among others, the Listing Rules and the Second Batch Tenancy Framework Agreement. The Second Batch Tenancy Framework Agreement expires on 30 April 2016 and is automatically renewable for successive periods of three years thereafter, subject to compliance with the then applicable provisions of the Listing Rules, unless it is terminated earlier by any party giving not less than 30 business days’ written notice to the other parties or otherwise pursuant to the said agreement.

### *Annual caps*

In accordance with Rule 14A.35(2) of the Listing Rules, our Company has set annual caps for the maximum aggregate rental amount payable under the tenancy transactions between members of the LN Group and members of our Group pursuant to the Second Batch Tenancy Framework Agreement for the years ending 30 April 2014, 2015 and 2016. It is anticipated that the aggregate annual value of rental payments made to LN Group by our Group for the years ending 30 April 2014, 2015 and 2016 will be approximately HK\$7,836,875, HK\$8,607,750 and HK\$9,626,250, respectively.

The annual caps stated above were determined based on the annual rental payable by the Group under each of the Second Batch Tenancy Agreements together with an estimated average rent increase in respect of any renewed tenancy agreements thereof, if any, up to 30 April 2016. Such an estimate was determined by the Company primarily by reference to factors such as the prevailing market rents at the time when entering into or renewing the leases and an estimated increment in the market rents. The Directors consider that the annual caps stated above are reasonably determined pursuant to Rule 14A.35(2) of the Listing Rules.



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The Directors (including the independent non-executive Directors) consider that the Second Batch Tenancy Framework Agreement (including the Second Batch Tenancy Agreements) were entered into in the ordinary and usual course of business of the Group and are on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Since Mr. Lau and Ms. Ngai are Directors and Controlling Shareholders, and that each member of the LN group (including but not limited to Mulan, Charm Rainbow and JHC Investment) is an associate of Mr. Lau and/or Ms. Ngai, each member of the LN group (including but not limited to Mulan, Charm Rainbow and JHC Investment) will also become connected persons of the Company upon Listing under the Listing Rules. As such, the transactions contemplated under the Second Batch Tenancy Framework Agreement (including the Second Batch Tenancy Agreements) will, upon Listing, constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since all of the counter-parties to the Second Batch Tenancy Framework Agreement (including the Second Batch Tenancy Agreements) are associates of Mr. Lau and/or Ms. Ngai, pursuant to Rule 14A.25 of the Listing Rules, the transactions contemplated under the Second Batch Tenancy Framework Agreement (including the Second Batch Tenancy Agreements) will be aggregated when calculating the applicable percentage ratios under Rule 14.07 of the Listing Rules.

Since one or more of the applicable percentage ratios in respect of the aggregated annual caps for the transactions contemplated under the Second Batch Tenancy Framework Agreement (including the Second Batch Tenancy Agreements) (including any renewals thereof) is/are, on an annual basis, more than 0.1% but are less than 5%, such transactions will, upon Listing, constitute continuing connected transactions of the Company and will be subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47, the annual review requirements set out in Rules 14A.37 to 14A.40, but will be exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### **Internal control measures relating to the leasing matters**

Our Group will adopt the following strengthened internal control measures in connection with our Group's leasing matters involving Directors to avoid potential conflict of interests:

- (i) any tenancy ("Target Tenancy") which will be leased by our Group from, wholly or partly, Mr. Lau, Ms. Ngai and/or any other Directors or their associates (the "Interested Director(s)") will be subject to a valuation being obtained from an independent valuer to assess whether the rental payable by the Group will not be higher than prevailing market rental and whether the terms of the tenancy are fair and reasonable to the Group;

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- (ii) to the extent that Ms. Ngai has a material interest in any possible Target Tenancy, Ms. Ngai will not be involved in the process of negotiating the tenancy agreement on behalf of our Group and the preparation work within the Group. Her other leasing team member(s) will report to the Board directly, which will be responsible for preparing information relating to store site selection for the Board's consideration. To facilitate the Board to make the final decision, the leasing team will seek market information, e.g., from independent real estate agents, and collect data such as prevailing market rental and other terms in respect of comparable properties located in areas around the Target Tenancy location and prepare market analysis for consideration by the Board; and
- (iii) for each potential Target Tenancy, the rental and the tenancy will be subject to approval by the Board, which will consider the terms of the proposed transaction together with the valuation produced by the independent valuer and detailed bases provided by the Group's leasing team justifying the proposed store location, and each relevant Interested Director will declare his/her interests under the relevant tenancy and shall abstain from voting on the relevant Board resolution(s) approving the terms of the tenancy agreement (including rental).

### APPLICATION FOR WAIVERS

The Directors (including the independent non-executive Directors) are of the opinion that each of the non-exempt continuing connected transactions, namely the transactions contemplated under each of the First Batch Tenancy Framework Agreement and the Second Batch Tenancy Framework Agreement and any renewals thereof (collectively referred to as "Non-exempt Continuing Connected Transactions") has been and will be conducted, and carried out, in the ordinary and usual course of business of the Group as well as on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Directors (including the independent non-executive Directors) also consider that the relevant annual caps in respect of the Non-exempt Continuing Connected Transactions set out above are and will be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As the Non-exempt Continuing Connected Transactions are of an ongoing nature, the Directors consider that compliance with all the applicable requirements under Chapter 14A of the Listing Rules on each occasion such transactions arise would be impracticable and add unnecessary administrative costs to the Company. Accordingly, pursuant to Rule 14A.42(3) of the Listing Rules, the Company had applied for, and the Stock Exchange has granted the Company, a waiver from strict compliance with the announcement requirements under Chapter 14A of the Listing Rules in respect of the Non-exempt Continuing Connected Transactions.

### Confirmation from the Sponsor

The Sponsor is of the view that the Non-exempt Continuing Connected Transactions are entered into in the ordinary and usual course of business of the Group as well as on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Sponsor is also of the view that the relevant annual caps in respect of the Non-exempt Continuing Connected Transactions set out above are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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## CONNECTED TRANSACTIONS

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### ARRANGEMENTS INVOLVING A CONNECTED PERSON

During the Track Record Period, JHC (Macau) operated several retail stores in Macau. At the time of negotiating the tenancy arrangements of two of these retail stores (the “**Macau Stores**”), Mr. Lau, our Director and Controlling Shareholder, acted as a conduit between the respective landlords of the Macau Stores (the “**Landlords**”), being Independent Third Parties, and JHC (Macau) in order to facilitate negotiation between them and entered into two tenancy agreements in his personal capacity with the Landlords respectively. The rents for the Macau Stores were paid to the respective Landlords out of JHC (Macau)’s own funds directly. Since there is no transaction between Mr. Lau on the one hand and JHC (Macau) on the other hand, such tenancy arrangements will not constitute transactions of the Company under Chapter 14A of the Listing Rules upon Listing.