
APPENDIX V

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A. FURTHER INFORMATION ABOUT OUR COMPANY

1. Incorporation of Our Company

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 12 September 2014. Our Company has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on 21 January 2015 and the principal place of business in Hong Kong is at Rooms 2102–2103, China Insurance Group Building, No. 141 Des Vouex Road Central, Hong Kong. Ms. Chow Fung Ling who resides at Flat C, 26th Floor, Block T7, Sky Tower, 38 Sung Wong Toi Road, To Kwa Wan, Kowloon, Hong Kong has been appointed as the authorised representative of our Company for the acceptance of service of process and notices in Hong Kong.

As our Company was incorporated in the Cayman Islands, it is subject to the relevant laws of the Cayman Islands and its constitution documents which comprise the Memorandum of Association and the Articles of Association. A summary of the relevant aspects of the Companies Law and certain provisions of the constitution documents are set out in Appendix IV to this [REDACTED].

2. Changes in share capital of our Company

- (a) As at the date of incorporation of our Company, the authorised share capital was HK\$390,000 divided into 39,000,000 Shares of HK\$0.01 each, of which 10,000 shares were issued and allotted fully paid to Cheer Lik at par.
- (b) On 2 February 2015, Cheer Lik entered into various share transfer agreements, pursuant to which Cheer Lik transferred 8,052 Shares to Crystal Talent at par, 1,000 Shares to Advance Keypath Global Investments Limited at par, 200 Shares to Metro Joy International Limited at par and 44 Shares to Aces Chess Global Limited at par.
- (c) On [20 May 2015], pursuant to the written resolutions of the Shareholders, the authorised share capital of our Company was increased from HK\$390,000 to HK\$15,600,000 by the creation of an additional of 1,521,000,000 Shares.

Immediately following completion of the Capitalisation Issue and the [REDACTED] (without taking into account the Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), the authorised share capital of our Company will be HK\$15,600,000 divided into 1,560,000,000 Shares and the issued share capital of our Company will be HK\$[REDACTED] divided into [REDACTED] Shares, all fully paid or credited as fully paid, and [REDACTED] Shares will remain unissued. Other than pursuant to the general mandate to issue Shares referred to in the paragraph headed “Written resolutions of the Shareholders passed on [20 May 2015]” in this Appendix and the exercise of any options which may have been or may be granted under the Share Option Scheme, the Directors do not have any present intention to issue any of the

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authorised but unissued share capital of our Company and, without prior approval of the Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Save as disclosed in this [REDACTED], there has been no alteration in our Company’s share capital since its incorporation.

3. Written resolutions of the Shareholder passed on [20 May 2015]

Pursuant to the written resolutions of the Shareholders passed on [20 May 2015], among others:

- (a) our Company approved and adopted the Articles, the terms of which are summarised in Appendix IV to this [REDACTED], with effect from the [REDACTED];
- (b) the authorised share capital of our Company was increased from HK\$390,000 to HK\$15,600,000 by the creation of an additional of 1,521,000,000 Shares of HK\$0.01 each;
- (c) conditional on (a) the Listing Committee granting the approval of the [REDACTED] of, and permission to deal in, the Shares in issue and Shares to be issued as mentioned in this [REDACTED] (including any Shares which may be issued pursuant to the exercise of the Share Option Scheme in respect of up to 10% of the Shares in issue as at the [REDACTED]); and (b) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms of the Underwriting Agreement or otherwise (collectively, the “**Conditions**”):
 - (i) the [REDACTED] was approved and the Directors were authorised to allot and issue the [REDACTED] pursuant to the [REDACTED];
 - (ii) the rules of the Share Option Scheme were approved and adopted and the Directors were authorised, subject to the terms and conditions of the Share Option Scheme, to grant options to subscribe for Shares thereunder and to allot, issue and deal with the Shares pursuant thereto and to take all such actions as they consider necessary or desirable to implement the Share Option Scheme;

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- (iii) conditional on the share premium account of our Company being credited as a result of the [REDACTED], upon the recommendation of the Directors, the sum of HK\$[REDACTED], being part of the amount which would then be standing to the credit of the share premium account of our Company be capitalised and applied in paying up in full [REDACTED] Shares to be allotted credited as fully paid at par to holders of Shares whose names appeared on the register of members of our Company at the close of business on [REDACTED] (or as they may direct) in proportion as nearly as may be without involving fractions to their then existing shareholdings in our Company and the Shares to be allotted and issued pursuant to the resolution shall rank pari passu in all respects with the existing issued Shares (other than the Capitalisation Issue) and our Directors or any committee of the Board were authorised to give effect to the Capitalisation Issue;
- (d) conditional upon the fulfilment of the Conditions, a general unconditional mandate was given to the Directors to exercise all the powers of our Company to allot, issue and deal with, otherwise than by way of rights issue or an issue of Shares upon the exercise of any subscription rights attached to any warrants or convertible securities or pursuant to the exercise of any options which may be granted under the Share Option Scheme or any other option scheme or other similar arrangements or under the [REDACTED] or any scrip dividend schemes in accordance with the Articles or a specific authority granted by the Shareholders in general meeting, Shares or securities or options convertible into Shares and to make and grant offers and agreements which would or might require Shares to be allotted (whether or not such securities or options involve the allotment or issue of Shares during or after the Relevant Period (as defined below)) with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the [REDACTED] but excluding any Shares which may be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme. Such mandate will remain in effect during the Relevant Period. "Relevant Period" means the period from the date of passing the resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of our Company; or
 - (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Memorandum and the Articles or the Companies Law or any other applicable laws of the Cayman Islands to be held; or
 - (iii) the time when such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting;

- (e) conditional upon the fulfilment of the Conditions, a general unconditional mandate was given to the Directors authorising them to exercise all powers of our Company to repurchase Shares listed on the Stock Exchange or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, in accordance with all applicable laws and the requirements of the Listing Rules (or of such other stock exchange), such number of Shares with an aggregate nominal value not exceeding 10% of the aggregate of the nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the [REDACTED] but excluding any Shares which may be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme, and such mandate to remain in effect during the Relevant Period;

- (f) conditional upon the fulfilment of the Conditions, the general unconditional mandate mentioned in sub-paragraph (d) above was extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted or agreed to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in sub-paragraph (e) above, provided that such extended amount shall not exceed 10% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the [REDACTED] but excluding any Shares which may be issued under the Over-allotment Option or pursuant to the exercise of the options which may be granted under the Share Option Scheme.

4. Corporate Reorganisation

The companies comprising our Group underwent the Reorganisation in preparation for the [REDACTED], pursuant to which our Company became the holding company of our Group. The Reorganisation included the following major steps:

Onshore Reorganisation

The onshore part of the Reorganisation consisted of the following major steps:

1. On 15 July 2014, Zhongshan Zhi Ying was established in the PRC as a limited liability company with a registered capital of RMB300,000 which was wholly owned by Mr. Lai. On 29 July 2014, Zhongshan Zhi Ying entered into an equity transfer agreement with Mr. Lai to acquire 80.52% equity interest in Zhongzhi Pharmaceutical at the cash consideration of RMB24,156,000, which was equivalent to the amount of the registered capital as represented by the percentage of equity interest of Mr. Lai in Zhongzhi Pharmaceutical.

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2. On 15 July 2014, Zhongshan Rui Qi was established in the PRC as a limited liability company with a registered capital of RMB500,000 which was wholly owned by Mr. Luo. On 29 July 2014, Zhongshan Rui Qi entered into an equity transfer agreement with Mr. Luo to acquire 0.44% equity interest in Zhongzhi Pharmaceutical at the cash consideration of RMB132,000, which was equivalent to the amount of the registered capital as represented by the percentage of equity interest of Mr. Luo in Zhongzhi Pharmaceutical.

As a result, Zhongzhi Pharmaceutical was owned as to 80.52%, 7.04%, 10%, 2% and 0.44% by Zhongshan Zhi Ying, Mrs. Lai, Zhongshan Yu Xin, Guangdong Jun Ke and Zhongshan Rui Qi respectively.

3. Under the applicable PRC laws and regulations, foreign investors are prohibited from holding any equity interest in Zhongzhi Herb Pieces. On 31 August 2014, Mr. Lai, Zhongshan Yu Xin, Guangdong Jun Ke and Mr. Luo entered into various equity transfer agreements with Zhongzhi Pharmaceutical to acquire 87.56%, 10%, 2% and 0.44% equity interest in Zhongzhi Herb Pieces respectively at the consideration of approximately RMB7,693,000, RMB879,000, RMB176,000 and RMB39,000 respectively which were determined with reference to the valuation conducted by an independent valuer who valued Zhongzhi Herb Pieces at RMB8,787,000 as at 31 July 2014. The acquisitions were legally completed on 22 September 2014.
4. On 31 August 2014, all the contracts constituting the Contractual Arrangements were entered into between Zhongzhi Pharmaceutical, Zhongzhi Herb Pieces, Mr. Lai, Zhongshan Yu Xin, Guangdong Jun Ke and Mr. Luo. Please refer to the "Contractual Arrangements" section in this [REDACTED] for further details.

Offshore Reorganisation

The offshore part of the Reorganisation consisted of the following major steps:

1. On 2 January 2014, Cheer Lik was incorporated in the BVI as a limited liability company with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each, and one subscriber share was allotted to Mrs. Lai at par.
2. On 2 January 2014, Metro Joy International Limited was incorporated in the BVI as a limited liability company with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each, of which 53 shares were issued and allotted fully paid to Mr. Wen at par and 47 shares were issued and allotted fully paid to Ms. Zhang at par.

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3. On 25 July 2014, Crystal Talent was incorporated in the BVI as a limited liability company with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each, and one subscriber share was allotted to Mr. Lai at par.
4. On 25 July 2014, Advance Keypath Global Investments Limited was incorporated in the BVI as a limited liability company with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each, and one subscriber share was allotted to Ms. Mou at par. In September 2014, Advance Keypath Global Investments Limited has undergone capital reorganisation to the effect that the authorised share capital was changed to US\$500 divided into 500,000 shares of US\$0.001 each. Mr. Lai, Ms. Mou, Mr. Cao and 18 present/former employees of the Group, all being shareholders of Zhongshan Yu Xin, were introduced to Advance Keypath Global Investments Limited. As at the Latest Practicable Date, there were a total of 21 shareholders and their respective shareholdings are as follows:

Nos.	Shareholders (Note 1)	Number of Issued shares	Percentage of shareholding in Advance Keypath Global Investments Limited/ Zhongshan Yu Xin (Note 2)
1	Mr. Lai	21,518	21.518%
2	Ms. Mou	14,808	14.808%
3	Mr. Cao	4,231	4.231%
4	Ms. Jiang Mei Fang (姜梅芳)	12,693	12.693%
5	Mr. Chen Jiong (陳炯)	2,115	2.115%
6	Mr. Tang Lin (唐琳)	2,115	2.115%
7	Ms. Li Shu Mei (李淑梅)	4,231	4.231%
8	Mr. Cheng Jin Le (成金樂)	16,923	16.923%
9	Mr. Lai Feng Sheng (賴逢勝)	3,808	3.808%
10	Mr. Qiu Zhi Min (邱志敏)	2,962	2.962%
11	Ms. Zhang Yu Xiong (張玉雄)	2,115	2.115%
12	Mr. He Jin Chang (何金昌)	2,115	2.115%
13	Ms. Yang He E (楊合娥)	1,396	1.396%
14	Ms. Gong Bao Lian (龔寶蓮)	3,512	3.512%
15	Mr. Lin Wei Jiu (林偉就)	1,396	1.396%
16	Mr. Qiao Wei Lin (喬衛林)	677	0.677%
17	Mr. Zhu Guo Sheng (朱國勝)	677	0.677%
18	Mr. He Gui Quan (何貴全)	677	0.677%
19	Mr. Shu She Ping (舒設平)	677	0.677%
20	Mr. Liang Xue Zhi (梁學志)	677	0.677%
21	Mr. Cai Hai Yu (蔡海育)	677	0.677%
	Total	<u>100,000</u>	<u>100%</u>

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Note 1: Mr. Lai, Ms. Mou and Mr. Cao are the executive Directors. Ms. Li Shu Mei was an employee of the Group but has ceased employment since August 2012. The other 17 shareholders of Advance Keypath Global Investments Limited are existing employees of the Group as at the Latest Practicable Date, Ms. Jiang Mei Fang, Mr. Chen Jiong and Mr. Tang Lin are senior management of our Group.

Note 2: The shareholders and shareholding structure of Advance Keypath Global Investments Limited and Zhongshan Yu Xin are the same.

5. On 25 July 2014, Aces Chess Global Limited was incorporated in the BVI as a limited liability company with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each, and one subscriber share was issued and allotted fully paid to Mr. Luo at par.
6. On 1 August 2014, Grant Talent was incorporated in Hong Kong as a limited liability company with a share capital of HK\$1 which was allotted and issued fully paid to the initial subscriber, which was transferred to Mrs. Lai on 25 August 2014.
7. On 12 September 2014, our Company was incorporated in the Cayman Islands with limited liability. At the time of incorporation, our Company had an authorised share capital of HK\$390,000 divided into 39,000,000 Shares of HK\$0.01 of which 10,000 Shares were issued and allotted fully paid to Cheer Lik at par.
8. On 16 September 2014, Windom Talent Company Limited was incorporated in the BVI as a limited liability company with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each, and one subscriber share was issued and allotted fully paid to our Company at par.
9. On 14 October 2014, Windom Talent Company Limited acquired from Mrs. Lai and became the shareholder of the entire issued share capital of Grant Talent at the consideration of HK\$1 and Grant Talent became a wholly owned subsidiary of Windom Talent Company Limited.
10. On 1 December 2014, Grant Talent entered into an equity transfer agreement with Mrs. Lai to acquire 7.04% equity interest in Zhongzhi Pharmaceutical at the cash consideration of approximately RMB6,309,000, which was determined with reference to the valuation as conducted by an independent valuer who valued Zhongzhi Pharmaceutical at RMB89,610,000 as at 30 September 2014. Such transfer has been approved by Department of Commerce of Guangdong Province. The acquisition was legally completed on 19 January 2015.

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11. On 2 February 2015, each of Crystal Talent, Advance Keypath Global Investments Limited, Metro Joy International Limited and Aces Chess Global Limited entered into a share transfer agreement with Cheer Lik, to acquire from Cheer Lik at par 8,052 shares, 1,000 shares, 200 shares and 44 shares of the Company respectively. As a result, our Company was owned as to 80.52%, 7.04%, 10%, 2% and 0.44% by Crystal Talent, Cheer Lik, Advance Keypath Global Investments Limited, Metro Joy International Limited and Aces Chess Global Limited respectively.

12. Various equity transfer agreements were entered into by Grant Talent with Zhongshan Zhi Ying, Zhongshan Yu Xin, Guangdong Jun Ke and Zhongshan Rui Qi to acquire their respective equity interests of 80.52%, 10%, 2% and 0.44% in Zhongzhi Pharmaceutical at the cash consideration of approximately RMB72,154,000, RMB8,961,000, RMB1,792,000 and RMB394,000 respectively, which were determined with reference to the valuation as conducted by an independent valuer who valued Zhongzhi Pharmaceutical at RMB89,610,000 as at 30 September 2014. On 2 February 2015, such transfers were approved by the Department of Commerce of Guangdong Province and the same were legally completed on 6 February 2015 when the new business licence of Zhongzhi Pharmaceutical was issued. Our PRC Legal Advisors have confirmed that our Group has obtained the necessary consent from the relevant government authority in respect of the transfers. As a result, Zhongzhi Pharmaceutical became a wholly owned subsidiary of Grant Talent.

5. Changes in share capital of subsidiaries

The subsidiaries of our Company are listed in the Accountants' Report, the text of which is set out in Appendix I to this [REDACTED].

Save as disclosed in the paragraph headed "Corporate Reorganisation" above, there has been no other change to the share capital of any of the subsidiaries of our Company within the two years immediately preceding the date of this [REDACTED].

6. Repurchase by our Company of its own securities

This section includes information required by the Stock Exchange to be included in this [REDACTED] concerning the repurchase by our Company of its own securities.

(a) *Provisions of the Listing Rules*

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

(i) *Shareholders' approval*

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

Note: Pursuant to the written resolutions of the Shareholders passed on [20 May 2015], a general unconditional mandate (i.e. the Repurchase Mandate) was given to the Directors authorizing the Directors to exercise all powers of our Company to purchase Shares listed on the Stock Exchange, or any other stock exchange on which the Shares may be listed and recognised by the SFC and the Stock Exchange for this purpose, such number of Shares with an aggregate nominal value not exceeding 10% of the aggregate of the nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the [REDACTED] by excluding any Share which may be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme, and the Repurchase Mandate shall remain in effect until whichever is the earliest of 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 the Memorandum and the Articles or the Companies Law or any other applicable laws of the Cayman Islands to be held, or when the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

(ii) *Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with the Memorandum of Association and the Articles and the applicable laws of the Cayman Islands and the Listing Rules. A company may not repurchase its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

Under the Cayman Islands law, any repurchases by our Company may be made out of profits of our Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorised by the Memorandum of Association and the Articles and subject to the Companies Law, out of capital

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and, in the case of any premium payable on the repurchase, out of profits of our Company or out of our Company’s share premium account or, if authorised by the Memorandum of Association and the Articles and subject to the Companies Law, out of capital.

(iii) *Connected parties*

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

(b) *Reasons for repurchases*

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

(c) *Exercise of the Repurchase Mandate*

Exercise in full of the Repurchase Mandate, on the basis of [REDACTED] Shares in issue immediately after completion of the Capitalisation Issue and [REDACTED], but not taking into account of any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, could accordingly result in up to [REDACTED] Shares being repurchased by our Company during the period in which the Repurchase Mandate remains in force.

(d) *Funding of repurchase*

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

On the basis of the current financial position of our Group as disclosed in this [REDACTED] and taking into account the current working capital position of our Group, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Group as compared with the position disclosed in this [REDACTED]. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in

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the circumstances, have a material adverse effect on the working capital requirements of our Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for our Group.

(e) *General*

Under the Listing Rules, shares proposed to be repurchased by a company must be fully paid-up.

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

The 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, our Articles and the applicable laws of the Cayman Islands.

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

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

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

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B. FURTHER INFORMATION ABOUT THE 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 members of our Group within the two years preceding the date of this [REDACTED] and are or may be material:

- (a) an equity transfer agreement dated 29 July 2014 entered into between Zhongshan Zhi Ying and Mr. Lai pursuant to which Mr. Lai agreed to transfer 80.52% equity interest in Zhongzhi Pharmaceutical at RMB24,156,000;
- (b) an equity transfer agreement dated 29 July 2014 entered into between Zhongshan Rui Qi and Mr. Luo pursuant to which Mr. Luo agreed to transfer 0.44% equity interest in Zhongzhi Pharmaceutical at RMB132,000;
- (c) an equity transfer agreement dated 1 December 2014 entered into between Grant Talent and Mrs. Lai pursuant to which Mrs. Lai agreed to transfer 7.04% equity interest in Zhongzhi Pharmaceutical at RMB6,308,541.39;
- (d) an equity transfer agreement dated 31 August 2014 entered into between Zhongzhi Pharmaceutical and Mr. Lai pursuant to which Zhongzhi Pharmaceutical agreed to transfer 87.56% equity interest in Zhongzhi Herb Pieces to Mr. Lai at the consideration of approximately RMB7,692,714.42;
- (e) an equity transfer agreement dated 31 August 2014 entered into between Zhongzhi Pharmaceutical and Zhongshan Yu Xin pursuant to which Zhongzhi Pharmaceutical agreed to transfer 10% equity interest in Zhongzhi Herb Pieces to Zhongshan Yu Xin at the consideration of approximately RMB878,564.92;
- (f) an equity transfer agreement dated 31 August 2014 entered into between Zhongzhi Pharmaceutical and Guangdong Jun Ke pursuant to which Zhongzhi Pharmaceutical agreed to transfer 2% equity interest in Zhongzhi Herb Pieces to Guangdong Jun Ke at the consideration of approximately RMB175,712.98;
- (g) an equity transfer agreement dated 31 August 2014 entered into between Zhongzhi Pharmaceutical and Mr. Luo pursuant to which Zhongzhi Pharmaceutical agreed to transfer 0.44% equity interest in Zhongzhi Herb Pieces to Mr. Luo at the consideration of approximately RMB38,656.86;
- (h) the Operation Services Agreement dated 31 August 2014 entered into between Zhongzhi Pharmaceutical, Zhongzhi Herb Pieces and the Registered Shareholders pursuant to which Zhongzhi Pharmaceutical was engaged exclusively to provide

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Zhongzhi Herb Pieces with, *inter alia*, management and consultancy services in consideration of service fees payable by Zhongzhi Herb Pieces to Zhongzhi Pharmaceutical;

- (i) the Call Option Agreement dated 31 August 2014 entered into between Zhongzhi Pharmaceutical, Zhongzhi Herb Pieces and the Registered Shareholders pursuant to which the Registered Shareholders at nil consideration jointly and severally granted an irrevocable and exclusive option to Zhongzhi Pharmaceutical to purchase all or any part of their equity interest in Zhongzhi Herb Pieces by Zhongzhi Pharmaceutical itself or through its nominee(s) at the lowest price and to the extent permitted by the applicable PRC laws and regulations;
- (j) the Equity Pledge Agreement dated 31 August 2014 entered into between Zhongzhi Pharmaceutical, Zhongzhi Herb Pieces and the Registered Shareholders pursuant to which the Registered Shareholders jointly and severally and irrevocably pledged all their respective equity interests in Zhongzhi Herb Pieces (together with the rights derived therefrom) in favour of Zhongzhi Pharmaceutical as security for the performance of all the contractual obligations of Zhongzhi Herb Pieces and the Registered Shareholders under the Operation Services Agreement (as described in item (h)), Call Option Agreement (as described in item (i)), Power of Attorney (as described in item (k)) and Exclusive Intellectual Property Purchase Agreement (as described in item (l));
- (k) the Power of Attorney dated 31 August 2014 executed by the Registered Shareholders irrevocably and unconditionally at nil consideration appointed Zhongzhi Pharmaceutical as their attorney to exercise the shareholders' rights in Zhongzhi Herb Pieces by Zhongzhi Pharmaceutical itself or through its nominee(s);
- (l) the Exclusive Intellectual Property Purchase Agreement dated 31 August 2014 entered into between Zhongzhi Pharmaceutical, Zhongzhi Herb Pieces and the Registered Shareholders pursuant to which Zhongzhi Herb Pieces and the Registered Shareholders jointly and severally granted an irrevocable and exclusive option to Zhongzhi Pharmaceutical to purchase all or any of the intellectual property that Zhongzhi Herb Pieces has or will have by Zhongzhi Pharmaceutical itself or through its nominee(s) at the lowest price and to the extent permitted by the applicable PRC laws and regulations;
- (m) a supplemental agreement to the Contractual Arrangements dated 31 August 2014 entered into between Zhongzhi Pharmaceutical, Zhongzhi Herb Pieces and the Registered Shareholders which provide for, *inter alia*, the operation of the Contractual Arrangements in the event of termination of the [REDACTED] exercise;

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- (n) a sale and purchase agreement dated 14 October 2014 entered into between Windom Talent Company Limited and Mrs. Lai pursuant to which Mrs. Lai agreed to transfer one share of Grant Talent to Windom Talent Company Limited, which represents the entire issued share capital of Grant Talent, at the consideration of HK\$1;
- (o) an equity transfer agreement dated 1 December 2014 entered into between Grant Talent and Mrs. Lai pursuant to which Mrs. Lai agreed to transfer 7.04% equity interest in Zhongzhi Pharmaceutical to Grant Talent at the cash consideration of RMB6,308,541.39;
- (p) an equity transfer agreement dated 21 January 2015 entered into between Grant Talent and Zhongshan Zhi Ying pursuant to which Zhongshan Zhi Ying agreed to transfer 80.52% equity interest in Zhongzhi Pharmaceutical to Grant Talent at the cash consideration of RMB72,153,942.13;
- (q) an equity transfer agreement dated 21 January 2015 entered into between Grant Talent and Zhongshan Yu Xin pursuant to which Zhongshan Yu Xin agreed to transfer 10% equity interest in Zhongzhi Pharmaceutical to Grant Talent at the cash consideration of RMB8,960,996.29;
- (r) an equity transfer agreement dated 21 January 2015 entered into between Grant Talent and Guangdong Jun Ke pursuant to which Guangdong Jun Ke agreed to transfer 2% equity interest in Zhongzhi Pharmaceutical to Grant Talent at the cash consideration of RMB1,792,199.26;
- (s) an equity transfer agreement dated 21 January 2015 entered into between Grant Talent and Zhongshan Rui Qi pursuant to which Zhongshan Rui Qi agreed to transfer 0.44% equity interest in Zhongzhi Pharmaceutical to Grant Talent at the cash consideration of RMB394,283.84;
- (t) a share transfer agreement dated 2 February 2015 entered into between Cheer Lik and Crystal Talent pursuant to which Cheer Lik agreed to transfer 8,052 shares of the Company to Crystal Talent at par;
- (u) a share transfer agreement dated 2 February 2015 entered into between Cheer Lik and Advance Keypath Global Investments Limited pursuant to which Cheer Lik agreed to transfer 1,000 shares of the Company to Advance Keypath Global Investments Limited at par;
- (v) a share transfer agreement dated 2 February 2015 entered into between Cheer Lik and Metro Joy International Limited pursuant to which Cheer Lik agreed to transfer 200 Shares of the Company to Metro Joy International Limited at par;

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- (w) a share transfer agreement dated 2 February 2015 entered into between Cheer Lik and Aces Chess Global Limited pursuant to which Cheer Lik agreed to transfer 44 Shares of the Company to Aces Chess Global Limited at par;
- (x) the Non-competition Deed;
- (y) a deed of indemnity dated [20 May 2015] executed by the Controlling Shareholders in favour of our Company (for itself and as trustee for its subsidiaries) containing the indemnities referred to in the paragraph headed “Tax and other indemnities” in this Appendix; and
- (z) the [REDACTED] Underwriting Agreement.

2. Intellectual property rights

Trademark

- (a) As at the Latest Practicable Date, our Group owned, or had registered (as the case may be) the following trademarks in Hong Kong which we believe are material to our business:

Trademark	Registered Owner	Class (note)	Registration Number	Registration Date	Expiry Date
	Zhongzhi Pharmaceutical	5	301919692	18 May 2011	17 May 2021
	Honeson Pharmaceutical	5	301633365	8 June 2010	7 June 2020
		30	301633347	8 June 2010	7 June 2020
		35	301633356	8 June 2010	7 June 2020

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(b) As at the Latest Practicable Date, our Group has registered the following trademarks in the PRC which we believe are material to our business:

Trademark	Registered Owner	Class (note)	Registration Number	Registration Date	Expiry Date
	Zhongzhi Pharmaceutical	5	3666848	21 April 2008	20 April 2018
	Zhongzhi Pharmaceutical	5	3666840	14 December 2005	13 December 2015
	Zhongzhi Pharmaceutical	5	8845807	28 November 2011	27 November 2021
	Zhongzhi Pharmaceutical	5	6099683	14 February 2010	13 February 2020
ZEUS	Zhongzhi Pharmaceutical	5	10294357	14 February 2013	13 February 2023
	Honeson Pharmaceutical	5	6356779	28 March 2010	27 March 2020
		30	8372713	28 June 2011	27 June 2021
		35	8372732	14 July 2011	13 July 2021

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(c) As at the Latest Practicable Date, our Group has applied for the following trademarks in PRC which we believe are material to our business:

Trademark	Applicant	Class (note)	Application Number	Date of Application	Status
	Zhongzhi Pharmaceutical	35	11993702	5 January 2013	Under application
	Zhongzhi Pharmaceutical	35	12210720	4 March 2013	Under application
 草晶華	Zhongzhi Pharmaceutical	35	13015684	1 August 2013	Under application

Note:

Class 5 — Pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietetic food and substances adapted for medical or veterinary use, food for babies; dietary supplements for humans and animals; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.

Class 30 — Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; edible ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.

Class 35 — Advertising; business management; business administration; office functions.

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Patent

- (a) As at the Latest Practicable Date, our Group has registered the following patents with the State Intellectual Property Bureau in the PRC which we believe are material to our business:

Patent	Registered Owner	Type	Patent Number	Date of Application	Expiry Date
A method for processing traditional Chinese herbs broken wall powder (一種中藥材破壁粉的加工方法)	Zhongzhi Pharmaceutical	Invention Patent	ZL200610122171.7	18 September 2006	18 September 2026
A preparation method of Keke preparation (一種克咳製劑的製備方法)	Zhongzhi Pharmaceutical	Invention Patent	ZL201110147491.9	2 June 2011	2 June 2031
A traditional Chinese medicine pilose asiabell root and Mongolian milkvetch root oral liquid preparation with functions of qi invigorating and body resistance supporting (一種補氣扶正的中藥製劑參芪口服液)	Zhongzhi Pharmaceutical	Invention Patent	ZL201110390621.1	30 November 2011	30 November 2031

- (b) As at the Latest Practicable Date, our Group has registered the following patent with the Intellectual Property Department of Hong Kong which we believe is material to our business:

Patent	Registered Owner	Type	Patent Number	Date of Application	Expiry Date
A kind of Chinese medicinal tablets from Shiqi against exogenous infection (一種石歧外感中藥片劑)	Zhongzhi Pharmaceutical	Standard Patent	HK1153131	12 November 2010	12 November 2030

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Domain names

As at the Latest Practicable Date, our Group has registered the following domain names:

<u>Domain Name</u>	<u>1st Registration Date</u>	<u>Expiry Date</u>
zeus.cn	8 March 2008	17 March 2023
zzdyf.cn	29 July 2010	29 July 2020

Copyrights

As at the Latest Practicable Date, our Group has registered the copyright of Zeus Medicine Fingerprint Quality Control Database System (Abbreviated Form: ZEUSys)* (中智中藥指紋圖譜質量控制數據庫系統 (簡稱: ZEUSys) V1.0 jointly owned by Zhongzhi Pharmaceutical and Central South University* (中南大學) with the National Copyright Administration of the PRC.

C. DISCLOSURE OF INTEREST

1. Interests and short positions of the Directors and the chief executives of our Company in the Shares, underlying Shares and debentures of our Company and its associated corporations

Immediately following completion of the Capitalisation Issue and the [REDACTED] (without taking into account of any Shares which may be allotted and issued pursuant to the exercise of any options that may be granted under the Share Option Scheme), the interests and short positions of the Directors or chief executives of our Company in the Shares, underlying Shares and debentures of our Company or any of the 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 any interests which they are taken or deemed to have under such provisions of the SFO) or will be required, pursuant to section 352 of the SFO, to be entered in the register as referred to therein, or will be required,

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

(a) Long position in the Shares

<u>Name of Director</u>	<u>Interest in a controlled corporation</u> <i>Number</i>	<u>Family interest</u> <i>Number</i>	<u>Total interest</u> <i>Number</i>	<u>Approximate percentage of the issued share capital of Our Company</u>
Mr. Lai (<i>Note 1</i>)	[REDACTED] <i>(Note 2)</i>	[REDACTED] <i>(Note 3)</i>	[REDACTED]	[REDACTED]
Mrs. Lai	[REDACTED] <i>(Note 3)</i>	[REDACTED] <i>(Note 2)</i>	[REDACTED]	[REDACTED]

Note 1: Mr. Lai is personally interested in [REDACTED] shareholding interest in Advance Keypath Global Investments Limited which in turn is interested in [REDACTED] shareholding in the Company upon [REDACTED].

Note 2: Crystal Talent, which will hold [REDACTED] Shares of our Company upon [REDACTED], is 100% beneficially owned by Mr. Lai. As Mrs. Lai is the spouse of Mr. Lai, Mrs. Lai is deemed to be interested in the shares of Crystal Talent held by Mr. Lai. Accordingly, each of Mr. Lai and Mrs. Lai is deemed to be interested in the Shares held by Crystal Talent under the SFO.

Note 3: Cheer Lik, which will hold [REDACTED] Shares of our Company upon [REDACTED], is 100% beneficially owned by Mrs. Lai. As Mr. Lai is the spouse of Mrs. Lai, Mr. Lai is deemed to be interested in the shares of Cheer Lik held by Mrs. Lai. Accordingly, each of Mrs. Lai and Mr. Lai is deemed to be interested in the Shares held by Cheer Lik under the SFO.

(b) Long position in Crystal Talent, the associated corporations of our Company

<u>Name of Director</u>	<u>Capacity/Nature of Interest</u>	<u>Percentage of the issued share capital of associated corporations</u>
Mr. Lai	Beneficial owner	100%
Mrs. Lai	Family interest (<i>Note 1</i>)	100%

Note 1: Crystal Talent is 100% beneficially owned by Mr. Lai. As Mrs. Lai is the spouse of Mr. Lai, Mrs. Lai is deemed to be interested in the shares of Crystal Talent held by Mr. Lai.

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

So far as it is known to the Directors, immediately following completion of the Capitalisation Issue and the [REDACTED] (without taking into account of any Shares which may be allotted and issued pursuant to the exercise of any options that may be granted under the Share Option Scheme), the following persons/entities will have interests or short positions in the Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group:

Long position in the Shares

Name	Beneficial Interest	Interest in a controlled corporation	Family interest	Total interest	Approximate percentage of issued share capital of our Company
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	
Crystal Talent <i>(Note 1)</i>	[REDACTED]	—	—	[REDACTED]	[REDACTED]
Mr. Lai	—	[REDACTED] <i>(Note 2)</i>	[REDACTED] <i>(Note 3)</i>	[REDACTED]	[REDACTED]
Mrs. Lai	—	[REDACTED] <i>(Note 4)</i>	[REDACTED] <i>(Note 3)</i>	[REDACTED]	[REDACTED]
Cheer Lik <i>(Note 5)</i>	[REDACTED]	—	—	[REDACTED]	[REDACTED]

Note 1: As Crystal Talent is 100% beneficially owned by Mr. Lai and regarded as a Controlling Shareholder, Crystal Talent is deemed to be interested in a total of [REDACTED] Shares, which represent [REDACTED] interest of our Company upon [REDACTED].

Note 2: Crystal Talent will be legally interested in [REDACTED] Shares of our Company our [REDACTED]. As Crystal Talent is 100% beneficially owned by Mr. Lai, Mr. Lai is deemed to be interested in the Shares held by Crystal Talent under the SFO.

Note 3: Mr. Lai is the spouse of Mrs. Lai. Accordingly, Mr. Lai is deemed to be interested in the Shares in which Mrs. Lai has interest under the SFO and Mrs. Lai is deemed to be interested in the Shares in which Mr. Lai has interest under the SFO.

Note 4: Cheer Lik will be interested in [REDACTED] Shares of our Company upon [REDACTED]. As Cheer Lik is 100% beneficially owned by Mrs. Lai, Mrs. Lai is deemed to be interested in the Shares held by Cheer Lik under the SFO

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Note 5: As Cheer Lik is 100% beneficially owned by Mrs. Lai and regarded as a Controlling Shareholders, Cheer Lik is deemed to be interested in a total of [REDACTED] Shares, which represent [REDACTED] interest of our Company upon [REDACTED].

3. Particulars of service agreements

Each of the executive Directors has entered into a service contract with our Company for an initial fixed term of three years commencing from the [REDACTED] and shall continue thereafter until terminated by either party by giving to the other party three months' notice in writing at any time after such initial fixed term, provided that our Company may terminate the contract by giving to the Director not less than three months' prior notice in writing at any time after the date of the contract. The appointment shall terminate automatically in the event of the executive Director ceasing to be a Director for whatever reason.

Each of these executive Directors is entitled to the respective director's fee set out below. In addition, each of the executive Directors is also entitled to a discretionary bonus if so recommended by the remuneration committee of our Company and approved by the Board having regard to the operating results of our Group and the performance of the executive Director.

Each of the independent non-executive Directors has entered into a service contract with our Company under which each of them is appointed for a period of three years commencing from the [REDACTED]. Each of the independent non-executive Directors is entitled to a director's fee set out below.

Save as aforesaid, none of the Directors has or is proposed to have a service contract with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

4. Directors' remuneration

- (a) The aggregate emoluments and benefits paid to the Directors by our Group in respect of the three years ended 31 December 2014 were approximately RMB1,400,000, RMB200,000 and RMB1,000,000, respectively.
- (b) Under the arrangements currently in force, the aggregate emoluments (excluding payment pursuant to any discretionary benefits or bonus or other fringe benefits) payable by our Group to the Directors for the year ending 31 December 2015 would be approximately HK\$2,590,000.
- (c) Save as disclosed herein, none of the Directors or any past directors of any member of our Group has been paid any sum of money for each of the three years ended 31 December 2014 (i) as an inducement to join or upon joining our Company; or (ii) for loss of office as a director of any member of our Group or of any other office in

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connection with the management of the affairs of any member of our Group; or (iii) otherwise for services rendered by him in connection with the promotion or formation of our Group.

- (d) There has been no arrangement under which a Director has waived or agreed to waive any emoluments for each of the three years ended 31 December 2014.
- (e) Under the arrangements currently proposed, conditional upon the [REDACTED], the basic annual remuneration (excluding payment pursuant to any discretionary benefits or bonus, granting of share options, or other fringe benefits) payable by our Group to each of the Directors will be as follows:

Executive Directors	HK\$
Mr. Lai	750,000
Mrs. Lai	300,000
Ms. Mou	500,000
Mr. Cao	500,000

Independent non-executive Directors

[Mr. Ng Kwun Wan]	[180,000]
[Mr. Wong Kam Wah]	[180,000]
[Mr. Zhou Dai Han]	[180,000]

Such annual salary may be reviewed annually after each year of service during the term of the service contract by the remuneration committee of our Company. Any adjustment of salary must be recommended by the remuneration committee and approved by the Board.

- (f) Each of the executive Directors is entitled to reimbursement for all reasonable expenses properly incurred in the performance of his duties.

5. Fees or commission received

Save as disclosed in the paragraph headed “Underwriting — Underwriting arrangements and expenses — Commissions and expenses” in this [REDACTED], none of the Directors or the experts named in the paragraph headed “Qualifications of experts” in this Appendix had received any agency fee or commissions from our Group within the two years preceding the date of this [REDACTED].

6. Related party transactions

Details of the related party transactions during the two years preceding the date of this [REDACTED] are set out under Note 30 to the Accountants' Report set out in Appendix I to this [REDACTED], and the "Continuing Connected Transactions" section in this [REDACTED].

7. Disclaimers

Save as disclosed in this [REDACTED]:

- (a) there are no existing or proposed service contracts (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)) between the Directors and any member of our Group;
- (b) none of the Directors or the experts named in the paragraph headed "Qualifications of experts" in 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 [REDACTED], acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (c) none of the Directors or the experts named in the paragraph headed "Qualifications of experts" in this Appendix is materially interested in any contract or arrangement subsisting at the date of this [REDACTED] which is significant in relation to the business of our Group taken as a whole;
- (d) taking no account of Shares which may be taken up under the [REDACTED] and allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, none of the Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the Capitalisation Issue and the [REDACTED], have any interest or short positions 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 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group;
- (e) none of the Directors or chief executive of our Company has any interest or short position in the Shares, underlying Shares or debentures of our Company or any of the associated corporations (within the meaning of the SFO) or any interest which, once the Shares are listed on the Stock Exchange, will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the

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SFO (including any interests and short positions which he will be taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules, to be notified to our Company and the Stock Exchange; and

- (f) none of the experts referred to under the paragraph headed “Qualifications of experts” in this Appendix has any shareholding in any member of our Group or the right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

D. SHARE OPTION SCHEME

The principal terms of the Share Option Scheme conditionally adopted under the written resolutions of the Shareholder passed on [20 May 2015] are set out below:

1. Purpose of the Share Option Scheme

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

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

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

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

2. Who may join and basis of eligibility

The Board may at its discretion grant options to:

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- (i) any Eligible Employees. “**Eligible Employees**” means employees (whether full time or part time, including any executive Director but excluding any non-executive Director) of our Company, any subsidiary or any entity in which our Group holds at least 20% of its issued share capital (“**Invested Entity**”);
- (ii) any non-executive Directors (including independent non-executive Directors) of our Company, any subsidiary or any Invested Entity;
- (iii) any supplier of goods or services to any member of our Group or any Invested Entity;
- (iv) any customer of any member of our Group or any Invested Entity;
- (v) any person or entity that provides research, development or other technological support to any member of our Group or any Invested Entity;
- (vi) any shareholder of any member of our Group or any Invested Entity or any holder of any securities issued by any member of our Group or any Invested Entity;
- (vii) any advisor (professional or otherwise) or consultant to any area of business or business development of any member of our Group or any Invested Entity; and
- (viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement of the development and growth of our Group,

and, for the purposes of the Share Option Scheme, options may be granted to any company wholly owned by one or more Eligible Participants.

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

3. Subscription Price of Shares

The exercise price for any Share under the Share Option Scheme shall be a price determined by the Board and notified to each grantee and shall not be less than the highest of: (i) the closing price of a Share as stated in the Stock Exchange’s daily quotations sheet for trade in one or more board lots of the Shares on the date of grant of the relevant option, which must be a business day in Hong Kong and a day on which the Stock Exchange is open for the business of dealing in securities (a “**Trading Day**”); (ii) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange’s daily quotations sheets for the five Trading Days immediately preceding the date of grant of the relevant option; and (iii) the

nominal value of a Share on the offer date. For the purpose of calculating the exercise price where our Company has been listed for less than five Trading Days, the [REDACTED] of the Shares shall be used as the closing price of the Shares for any Trading Days falling within the period before the [REDACTED].

4. Grant of options and acceptance of offers

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

5. Maximum number of Shares

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

our Company containing such relevant information from time to time as required by the Listing Rules in relation to any such proposed grant to such Eligible Participants.

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

6. Maximum entitlement of each participant

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

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

7. Requirements on granting options to certain connected persons

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

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

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

such further grant of options must be approved by the Shareholders of our Company on a poll in a general meeting where all core connected persons of our Company must abstain from voting in favour at such general meeting. Our Company will send a circular to the shareholders containing the information required under the Listing Rules.

8. Restrictions on the time of grant of options

No option shall be granted after inside information has come to the knowledge of our Company until our Company has announced the information. In particular, during the period commencing 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 our Company's results for any year, half-year or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for our Company to announce its results for any year or half-year under the Listing Rules, or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement. No option may be granted during any period of delay in publishing a results announcement. "Inside information" has the meaning defined in the SFO.

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

9. Time of exercise of option

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

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

10. Performance targets

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

11. Ranking of Shares

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

12. Rights are personal to grantee

An option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any option or enter into any agreement so to do.

13. Rights on cessation of employment

- (i) In the event of death of the grantee (being an individual) before exercising the option in full, his personal representatives may exercise the option up to the grantee's entitlement (to the extent exercisable as at the date of his death and not exercised) within the period of 12 months following his death or such longer period as the Board may determine.
- (ii) In the event of the grantee who is an Eligible Employee ceasing to be an Eligible Employee for any reason other than his death, or the termination of his employment pursuant to paragraph 18(v), the grantee may exercise the option (to the extent exercisable as at the date of the relevant event and not exercised) within 30 days following such cessation or such longer period as the Board may determine.

14. Effects of alterations to share capital

In the event of any alteration in the capital structure of our Company while an option remains exercisable, and such event arises from, including a capitalisation of profits or reserves, rights issue, consolidation, reclassification, subdivision or reduction of capital of our Company, such corresponding alterations (if any) shall be made in the number or nominal amount of Shares subject to the options so far as unexercised; and/or the exercise price; and/or the method of the options; and/or the maximum number of Shares subject to the Share Option Scheme.

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

15. Rights on a general offer

If a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional, the grantee shall be entitled to exercise the option (to the extent exercisable as at the date on which the general offer becomes or is declared unconditional and not exercised) in full or in part at any time within 14 days after the date on which the offer becomes or is declared unconditional.

16. Rights on winding-up

In the event notice is given by our Company to its shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up our Company, our Company shall forthwith give notice thereof to the grantee and the grantee our Company shall be entitled to exercise all or any of his/her options (to the extent exercisable as at the date of the notice to the grantee and not already exercised) at any time not later than 2 Trading Days (excluding any period(s) of closure of our Company's share registers) prior to the proposed meeting of our Company to consider the winding-up and our Company shall, as soon as possible and in any event no later than the

Trading Day (excluding any period(s) of closure of our Company's share registers) immediately prior to the date of the proposed shareholders' meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise.

17. Rights on compromise or arrangement

In the event of a compromise or arrangement between our Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of our Company, our Company shall give notice thereof to all grantee on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme of arrangement, and thereupon the grantee our Company shall be entitled to exercise all or any of his/her option(s) (to the extent which has become exercisable as at the date of the notice to the grantee and not exercised) at any time not later than 2 Trading Days (excluding any period(s) of closure of our Company's share registers) prior to the proposed meeting and our Company shall, as soon as possible and in any event no later than the Trading Day (excluding any period(s) of closure of our Company's share registers) immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise.

18. Lapse of options

An option shall lapse and not be exercisable on the earliest of:

- (i) the expiry of the option period as set out in paragraph 9 above;
- (ii) the expiry of any of the periods referred to in paragraph 13 above;
- (iii) subject to paragraph 16 above, the date of the commencement of the winding-up of our Company;
- (iv) subject to the scheme becoming effective, the expiry of the period referred to in paragraph 17 above;
- (v) the date on which the grantee who is an Eligible Employee ceases to be an Eligible Employee by reason of the summary dismissal or being dismissed for misconduct or other breach of the terms of his employment contract or other contract constituting him an Eligible Employee, or the date on which he begins to appear to be unable to pay or has no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his or her creditors generally or on which he has been convicted of any criminal offence involving his or her integrity or honesty, unless otherwise resolved to the contrary by the Board;

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- (vi) in respect of a grantee other than an Eligible Employee, the date on which the Board shall determine that (i) (aa) such grantee has committed any breach of any contract entered into between such grantee on the one part and our Group or any Invested Entity on the other part; or (bb) such grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (cc) such grantee could no longer make any contribution to the growth and development of our Group by reason of the cessation of its relations with our Group or by any other reason whatsoever; and (ii) the option shall lapse as result of any event specified in sub-paragraph (i) (aa), (bb) or (cc) above, unless otherwise resolved to the contrary by the Board;
- (vii) the expiry of any of the periods referred to in paragraph 15 above; and
- (viii) the date on which the grantee commits a breach of any terms or conditions attached to the grant of the option, unless otherwise resolved to the contrary by the Board

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

- (1) the provisions of paragraphs 13(i) and (ii), 18(v) and (vi) shall apply to the grantee and to the options granted to such grantee, mutatis mutandis, as if such options had been granted to the relevant Eligible Participant, and such options shall accordingly lapse or fall to be exercisable after the event(s) referred to in paragraphs 13(i) and (ii), 18(v) and (vi) shall occur with respect to the relevant Eligible Participant; and
- (2) the options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly owned by the relevant Eligible Participant,

provided that the Board may decide that such options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

19. Cancellation of options granted but not yet exercised

The Board shall have the absolute discretion to cancel any options granted at any time if the grantee so agreed provided that where an option is cancelled and a new option is proposed to be issued to the same grantee, the issue of such new option may only be made with available but unissued options (excluding the cancelled options) within the limit approved by the Shareholders as mentioned in the Share Option Scheme from time to time.

20. Period of the Share Option Scheme

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

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

21. Alteration to the Share Option Scheme

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

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

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

The amended terms of the Share Option Scheme and/or the options must continue to comply with the relevant provisions of the Listing Rules as may be amended.

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

22. Termination to the Share Option Scheme

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

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

23. Conditions of the Share Option Scheme

The Share Option Scheme is conditional upon (i) the Stock Exchange granting the approval of the [REDACTED] of and permission to deal in, the Shares in issue, the Shares to be issued pursuant to the Capitalisation Issue, the [REDACTED] and any Shares which may fall to be issued pursuant to the exercise of any options under the Share Option Scheme in respect of up to 10% of the Shares in issue as at the [REDACTED]; (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)) 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.

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

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

E. OTHER INFORMATION

1. Tax and other indemnities

The Controlling Shareholders have, entered into a deed of indemnity in favour of our Company (on its own behalf and as trustee for each member of our Group) referred to in paragraph (y) of the paragraph headed “Summary of material contracts” in this Appendix, pursuant to which the Controlling Shareholders have given indemnities in favour of our Group from and against, among others, (a) any tax liability which might be payable by any member of our Group (i) in respect of any income, profits or gains earned, accrued or received or deemed to have been earned, accrued or received on or before the date on which [REDACTED] becomes unconditional (including by not limited to any tax liability arising from any additional assessment by any tax authority in respect of any member of our Group in relation to the tax years beginning from the respective date of establishment of our members of our Group and ending on the date on which the [REDACTED] becomes unconditional); or (ii) in respect of or in consequence of any act, omission or event occurring or deemed to occur on or before the date on which the [REDACTED] becomes unconditional; and (b) any claims, actions, demands, proceedings, judgments, losses, liabilities, damages, costs, charges, fees, expenses and fines of whatever nature suffered or incurred by any member of our Group as a result of or in connection with any litigation, arbitrations, claims (including counter-claims), complaints, demands and/or legal proceedings instituted by or against any member of our Group in relation to events occurred on or before the date on which the [REDACTED] becomes unconditional and not disclosed in this [REDACTED]. The Controlling Shareholders will, however, not be liable under the deed of indemnity for taxation to the extent that, among others:

- (a) specific provision, reserve or allowance has been made for such taxation liability in the audited combined accounts of any member of our Group for each of the three years ended 31 December 2014; or
- (b) the taxation liability arises or is incurred as a result of a retrospective change in law or a retrospective increase in tax rates coming into force after the date on which the [REDACTED] becomes unconditional; or
- (c) any provisions or reserve made for taxation in the audited accounts of our Group or any member of our Group for each of the three years ended 31 December 2014 which is finally established to be an over-provision or an excessive reserve provided that the amount of any such provision or reserve applied to reduce the Controlling Shareholders’ liability in respect of taxation shall not be available in respect of any such liability arising thereafter; or
- (d) the taxation liability arises in the ordinary course of business of our Group after 31 December 2014 up to and including the date on which the [REDACTED] becomes unconditional.

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Provided that the exceptions in paragraph (a), (c) and (d) above shall not apply to any tax liability which might be payable by any member of our Group arising from any additional assessment by any tax authority for the tax years beginning from the respective date of establishment of our members of our Group and ending on the date on which the [REDACTED] becomes unconditional.

In the event that the Controlling Shareholders have indemnified our Group of any tax liability and payment arising from any additional assessment by any tax authority pursuant to the deed of indemnity referred to above, our Company shall disclose such fact and relevant details by way of an announcement immediate after the payment of indemnification by the Controlling Shareholders.

The Controlling Shareholders have also undertaken to indemnify our Group, on a joint and several basis, against any costs, expenses, claims liability, penalties, losses or damages incurred or suffered by our Group arising from or in connection with the non-compliances to as referred to in the paragraph headed “Business — Legal proceedings and non-compliance — Non-compliance incidents relating to our Group” in this [REDACTED].

The Directors have been advised that no material liability for estate duty under the laws of the Cayman Islands is likely to fall on our Group.

2. Litigation

As at the Latest Practicable Date, to the best of the Directors’ knowledge and save as disclosed in this [REDACTED], there is no litigation or arbitration (whether current, pending or threatened) proceedings against any member of our Group that is of material importance or could have a material adverse effect on our Group’s financial condition or performance.

3. The Sole Sponsor

The Sole Sponsor has, on behalf of our Company, made an application to the Listing Committee for the [REDACTED] of, and permission to deal in, the Shares in issue and to be issued as mentioned herein and the Shares falling to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme in respect of up to 10% of the Shares in issue as at the [REDACTED]. The Sole Sponsor declared its independence from the Company pursuant to Rule 3A.07 of the Listing Rules and satisfies the independence criteria applicable to the Sole Sponsor set out in Rule 3A.07 of the Listing Rules. The sponsorship fee is approximately HK\$5 million.

4. Preliminary expenses

The preliminary expenses of our Company are estimated to be approximately HK\$38,300 and are payable by our Company.

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5. Promoter

Our Company has no promoter within two years preceding the date of this [REDACTED], no amount or benefit has been paid or given to the promoter in connection with the [REDACTED] or the related transactions described in this [REDACTED].

6. Qualifications of experts

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

<u>Name</u>	<u>Qualifications</u>
Guosen Securities (HK) Capital Company Limited	A corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Ernst & Young	Certified Public Accountants
BMI Appraisals Limited	Independent property valuer
King & Wood Mallesons	Legal advisors to our Company on PRC law
Appleby	Cayman Islands attorneys-at-law
Ipsos Hong Kong Limited	Industry consultant

7. Consents of experts

Each of the parties listed in the paragraph headed “Qualifications of experts” has given and has not withdrawn its written consent to the issue of this [REDACTED] with the inclusion of its letter, and/or report, and/or valuation certificate opinion and/or references to its name (as the case may be), all of which are dated the date of the [REDACTED], in the form and context in which they respectively appear in the [REDACTED].

8. Binding effect

This [REDACTED] 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 (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32) so far as applicable.

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9. Share Registrar

The register of members of our Company will be maintained in the Cayman Islands by [REDACTED] and a branch register of members of our Company will be maintained in Hong Kong by [REDACTED]. Save where the Directors otherwise agree, all transfers and other documents of title to Shares must be lodged for registration with, and registered by, our Company's branch share registrar in Hong Kong and may not be lodged in the Cayman Islands.

10. No material adverse change

The Directors confirm that there has been no material adverse change in the financial prospects of our Company or its subsidiaries since 31 December 2014 (being the date to which the latest audited financial statements of our Company were made up).

11. Miscellaneous

Save as disclosed herein:

- (a) within the two years immediately preceding the date of this [REDACTED]:
 - (i) no share or loan capital of our Company or any of its 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; and
 - (ii) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of its subsidiaries;
 - (iii) no commission has been paid or payable (except to sub-underwriter) for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares; and
 - (iv) no founder, management or deferred shares of our Company have been issued or agreed to be issued.
- (b) no share, warrant or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- (c) none of the equity and debt securities of our Company is listed or dealt with in any other stock exchange nor is any [REDACTED] or permission to deal being or proposed to be sought;
- (d) [REDACTED]

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- (e) the 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; and
- (f) there has not been any interruption in the business of our Group which may have or have had a significant effect on the financial position of our Group in the 12 months immediately preceding the date of this [REDACTED].

12. Bilingual [REDACTED]

The English language and Chinese language versions of this [REDACTED] are being published separately, in reliance upon the exemption provided in section 4 of the Companies Ordinance (Exemption of Companies and prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). In case of any discrepancies, between the English language version and the Chinese language version, the English language version shall prevail.