

APPENDIX V

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A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation

Our Company was incorporated in the Cayman Islands on 13 July 2010 as an exempted company with limited liability under the Cayman Companies Law. Our Company has established a principal place of business in Hong Kong at 36/F., Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) on 17 November 2015. Mok Ming Wai has been appointed as the authorised representative of our Company for acceptance of service of process in Hong Kong. The address for acceptance of service of process in Hong Kong of our Company is 36/F., Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

Pursuant to the written resolutions of our Shareholders passed on 12 May 2016, our Company name has been changed from “Bright Education Group Co. Ltd.” to “Wisdom Education Group Company Limited” and its dual foreign name has been changed from “光正教育(集團)有限公司” to “睿見教育集團有限公司”. On 10 June 2016, a certificate of registration of alteration of name of registered non-Hong Kong company has been issued to our Company with the name of Wisdom Education Group Company Limited (睿見教育集團有限公司).

Pursuant to the written resolutions of our Shareholders passed on 28 June 2016, our Company name has been changed from “Wisdom Education Group Company Limited” to “Wisdom Education International Holdings Company Limited” and its dual foreign name has been changed from “睿見教育集團有限公司” to “睿見教育國際控股有限公司”. On 4 August 2016, a certificate of registration of alteration of name of registered non-Hong Kong company has been issued to our Company with our current name of Wisdom Education International Holdings Company Limited (睿見教育國際控股有限公司).

As our Company was incorporated in the Cayman Islands, it operates subject to Cayman Islands laws and its constitutive documents comprising the Memorandum of Association and the Articles of Association. A summary of certain parts of our constitution and relevant aspects of the Cayman Companies Law is set out in Appendix IV to this document.

2. Changes in Share Capital and Corporate Reorganisation

As at the date of incorporation of our Company, the authorised share capital of the Company was US\$50,000 divided into 50,000 shares with a par value of US\$1.0 each. The following alterations in the issued and paid up share capital of our Company have taken place since its date of incorporation up to the date of this document:

- (a) on 13 July 2010, Bright Education Holdings (a company wholly-owned by Mr. Liu) acquired one share in our Company from the incorporator at par and a further six shares in our Company were allotted and issued to Bright Education Holdings as fully-paid at nominal value; and (ii) three shares in our Company were allotted and issued to Bright Education Investment (a company wholly-owned by Ms. Li) as fully-paid at nominal value;
- (b) on 24 June 2016, our Company allotted and issued 63 shares and 27 shares to Bright Education Holdings and Bright Education Investment respectively at nominal value. On the same day, Bright Education Holdings transferred eight shares in our Company to Bright Education Investment, upon which 62 shares and 38 shares were held by Bright Education Holdings and Bright Education Investment, representing 62% and 38% of the entire issued share capital of our Company, respectively; and

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- (c) on 3 January 2017, the authorised share capital of our Company was increased by HK\$100,000,000 by the creation of 10,000,000,000 ordinary shares of a nominal value of HK\$0.01 each, following which our Company issued (i) 48,360 shares of a nominal value of HK\$0.01 each fully paid to Bright Education Holdings (a company wholly-owned by Mr. Liu), and (ii) 29,640 shares of a nominal value of HK\$0.01 each fully paid to Bright Education Investment (a company wholly-owned by Ms. Li). On the same date, our Company repurchased and cancelled (i) 62 shares of a nominal value of US\$1.0 each registered in the name of Bright Education Holdings (a company wholly-owned by Mr. Liu), and (ii) 38 shares of a nominal value of US\$1.0 each registered in the name of Bright Education Investment (a company wholly-owned by Ms. Li). Following the repurchase, the authorised but unissued share capital of our Company was diminished by the cancellation of all the 50,000 unissued shares of nominal value US\$1.00 each in the capital of our Company.

Save as disclosed above, there has been no alteration in the share capital of our Company during the two years immediately preceding the date of this document.

In order to streamline the corporate structure and rationalize our corporate structure for the [REDACTED], our Group underwent the Reorganisation. Please refer to the section headed “History and Development – Reorganisation” in this document for details.

3. Resolutions of the Shareholders of Our Company

Pursuant to the resolutions of the our Shareholders passed on 3 January 2017:

- (a) our Company approved and adopted our Articles of Association with effect from the [REDACTED];
- (b) conditional upon the share premium account of our Company having sufficient balance, or otherwise being credited as a result of the issue of the [REDACTED] by our Company pursuant to the [REDACTED], our Directors were authorised to allot and issue a total of [REDACTED] Shares credited as fully paid at par to the persons whose names appear on the register of members of our Company at the close of business on [25 January] 2017 (as nearly as possible without involving fractions) by way of capitalisation of such sum standing to the credit of the share premium account of our Company, and the Shares to be allotted and issued shall rank *pari passu* in all respects with the existing issued Shares;
- (c) conditional upon all the conditions set out in [REDACTED] of this document being fulfilled:
- (i) the [REDACTED] be approved and our Directors be authorised to allot and issue the Shares pursuant to the [REDACTED];
- (ii) the granting of the [REDACTED] be approved and our Directors be authorised to effect the same and to allot and issue the Shares upon the exercise of the [REDACTED];
- (iii) the proposed [REDACTED] be approved and our Directors be authorised to implement such [REDACTED]; and
- (iv) a general unconditional mandate was given to our Directors to exercise all the powers of our Company to allot, issue and deal with (including the power to make an offer or agreement, or grant securities that would or might require Shares to be allotted and issued), otherwise than by way of rights issue, scrip dividend schemes or similar arrangements in accordance with the Articles of Association, or pursuant to the issue of Shares upon the exercise of any subscription rights attached to any warrants of our

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Company or any other option scheme or similar arrangement for the time being adopted, Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal value of Shares in issue immediately following the completion of the Capitalisation Issue and the [REDACTED], excluding the Shares which may be issued under the [REDACTED] and without taking into account any Shares which may be issued upon the exercise of any options granted under the [REDACTED] Share Option Scheme or options which may be granted under the Share Option Scheme, and the aggregate nominal value of Shares repurchased by us under the authority referred to in sub-paragraph (v) below;

- (v) a general unconditional mandate was given to our Directors to exercise all powers of our Company to repurchase Shares on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, with a total nominal value up to 10% of the aggregate nominal value of our Shares in issue immediately following the completion of the Capitalisation Issue and the [REDACTED], excluding any Shares which may be issued under the [REDACTED] and upon the exercise of any options granted under the [REDACTED] Share Option Scheme or options which may be granted under the Share Option Scheme; and
- (vi) the extension of the general mandate to allot, issue and deal with Shares to include the nominal amount of Shares which may be repurchased pursuant to sub-paragraph (v) above.

Each of the general mandates referred to in sub-paragraphs (iv), (v) and (vi) above will expire at the earliest of:

- the conclusion of the next annual general meeting of our Company unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions; or
- the expiration of the period within which our Company’s next annual general meeting is required by the Articles of Association or any other applicable laws to be held; or
- the date when it is varied or revoked by an ordinary resolution of our Shareholders in general meeting.

4. Changes in Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries are set out in the Accountants’ Report as set out in Appendix I to this document.

There has been no alteration in the share capital of any of the subsidiaries of our Company within the two years immediately preceding the date of this document.

Save for the subsidiaries mentioned in the Accountants’ Report set out in Appendix I to this document, our Company has no other subsidiaries.

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5. Repurchase of Our Own Securities

The following paragraphs include, among others, certain information required by the Stock Exchange to be included in this document concerning the repurchase of our own securities.

(a) Provision of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(i) Shareholders’ Approval

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

Pursuant to a resolution passed by our Shareholders on 3 January 2017, a general unconditional mandate (the “**Repurchase Mandate**”) was given to our Directors authorising them to exercise all powers of our Company to repurchase Shares on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, with a total nominal value up to 10% of the aggregate nominal value of our Shares in issue immediately following the completion of the Capitalisation Issue and the [REDACTED] (excluding any Shares which may be issued under the [REDACTED] and upon the exercise of the options granted under the [REDACTED] Share Option Scheme or options which may be granted under the Share Option Scheme), such mandate to expire at the earliest of (i) the conclusion of the next annual general meeting of our Company (unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions), (ii) the expiration of the period within which our Company’s next annual general meeting is required by the Articles of Association or any other applicable laws to be held, and (iii) the date when it is varied or revoked by an ordinary resolution of our Shareholders in general meeting.

(ii) Source of Funds

Repurchases must be funded out of funds legally available for such purpose in accordance with the Memorandum and the Articles of Association and the Listing Rules and the applicable laws of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the Listing Rules. Subject to the foregoing, any repurchases by our Company may be made out of funds of our Company otherwise available for dividend or distribution, out of the Company’s share premium account or out of a fresh issue of Shares made for the purpose of the repurchase or, if so authorised by the Articles of Association and subject to the provisions of the Cayman Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the funds of our Company otherwise available for dividend or distribution or from sums standing to the credit of the share premium account of our Company or, if so authorised by the Articles of Association and subject to the provisions of the Cayman Companies Law, out of capital.

(iii) Trading Restrictions

The total number of shares which a listed company may repurchase on the Stock Exchange is the number of shares representing up to a maximum of 10% of the aggregate number of shares in issue. A company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments

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requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, a listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange. The Listing Rules also prohibit a listed company from repurchasing its securities if the repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. A company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

(iv) Status of Repurchased Shares

All repurchased securities (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those securities must be cancelled and destroyed. Under the Cayman Companies Law, a company’s repurchased shares may be treated as cancelled or held as treasury shares and, if so cancelled the amount of the company’s issued share capital shall be reduced by the aggregate value of the repurchased shares accordingly although the authorised share capital of the company will not be reduced.

(v) Suspension of Repurchase

A listed company may not make any repurchase of securities after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of a listed company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (b) the deadline for publication of an announcement of a listed company’s results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), the listed company may not repurchase its shares on the Stock Exchange other than in exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the Listing Rules.

(vi) Reporting Requirements

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

(vii) Core Connected Persons

A listed company is prohibited from knowingly repurchasing securities on the Stock Exchange from a core connected person, that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or a close associate of any of them and a core connected person is prohibited from knowingly selling his securities to the company.

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(b) Reasons for Repurchases

Our Directors believe that the ability to repurchase Shares is in the interests of our Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in the net asset value and/or earnings per Share. Our Directors sought the grant of a general authority from the Shareholders to give our Company the flexibility to repurchase Shares if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by our Directors at the relevant time having regard to the circumstances then pertaining and any repurchases will only be made when our Directors believe that such repurchases will benefit our Company and the Shareholders.

(c) Funding of Repurchases

In repurchasing securities, our Company may only apply funds lawfully available for such purpose in accordance with its Memorandum and the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. There could be a material adverse impact on the working capital and/or gearing position of our Company (as compared with the position disclosed in this document) in the event that the Repurchase Mandate were to be carried out in full at any time during the share repurchase period.

However, our Directors do not propose to exercise the general mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or the gearing levels which in the opinion of our Directors are from time to time appropriate for our Company.

(d) General

The exercise in full of the Repurchase Mandate, on the basis of [REDACTED] Shares in issue immediately following the completion of the Capitalisation Issue and the [REDACTED], but assuming the [REDACTED] is not exercised at all and without taking into account any Shares which may be issued upon the exercise of any options granted under the [REDACTED] Share Option Scheme or 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 prior to the earliest of:

- the conclusion of the next annual general meeting of our Company unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions;
- the expiration of the period within which our Company’s next annual general meeting is required by the Articles of Association or any other applicable laws to be held; or
- the date when it is varied or revoked by an ordinary resolution of our Shareholders in general meeting.

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to sell any Shares to our Company.

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

If, as a result of any repurchase of Shares, a Shareholder’s proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”). Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

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Any repurchase of Shares that results in the number of Shares held by the public being reduced to less than 25% of the Shares then in issue could only be implemented if the Stock Exchange agreed to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

None of the Directors and any of their close associates has notified our Company that he or she has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

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

- (a) an exclusive management consultancy and business cooperation agreement dated 1 July 2016 and entered into by and among (i) Dongguan Ruixing, (ii) Guangdong Guangzheng, (iii) the subsidiary entities of Guangdong Guangzheng as described therein, including Dongguan Guangming Primary School, Dongguan Guangming School, Dongguan Guangzheng Preparatory School, Panjin Guangzheng Preparatory School, Huizhou Guangzheng Preparatory School, Weifang Guangzheng Preparatory School, Huizhou Guangzheng, Panjin Guangzheng, Dongguan Wenhui, Weifang Guangzheng and Guang'an Guangzheng (together, the “**Subsidiary Entities**”), the list of which is to be updated to include the entities that Guangdong Guangzheng invests in and controls from time to time (including via contractual arrangements), including but not limited to companies, schools and related entities which Guangdong Guangzheng directly or indirectly holds more than 50% investment interests thereof (as of the date of this document, each of Weifang Guangzheng Preparatory School, Yunfu Guangzheng and Panjin Guangzheng Preparatory School has acknowledged the inclusion of it to the list of Subsidiary Entities (on 28 July 2016, 31 August 2016 and 14 October 2016, respectively) and hence the list of Subsidiary Entities shall be updated accordingly), and (iv) the Registered Shareholders, pursuant to which Guangdong Guangzheng and the Registered Shareholders agreed to engage Dongguan Ruixing as the exclusive service provider to provide to Guangdong Guangzheng and the Subsidiary Entities with comprehensive corporate management consultancy and educational management consultancy services, intellectual property licensing services and technical and business support services, and in return, Dongguan Ruixing will charge for the services;
- (b) an exclusive call option agreement dated 1 July 2016 and entered into by and among Dongguan Ruixing, the Registered Shareholders and Guangdong Guangzheng, pursuant to which the Registered Shareholders granted Dongguan Ruixing an exclusive, unconditional and irrevocable option for Dongguan Ruixing or its designated third party to purchase all or part of the equity interests of the Registered Shareholders in Guangdong Guangzheng at nil consideration or at the lowest price permitted under the PRC laws and regulations;
- (c) an equity pledge agreement dated 1 July 2016 and entered into by and among Dongguan Ruixing, the Registered Shareholders and Guangdong Guangzheng, pursuant to which the Registered Shareholders unconditionally and irrevocably pledged all of their equity interests in Guangdong Guangzheng to Dongguan Ruixing to guarantee performance of the obligations of the Registered Shareholders, Guangdong Guangzheng and its subsidiaries and schools under the exclusive management consultancy and business cooperation agreement (as described in item (a)), the exclusive call option agreement (as described in item (b)), the Powers of Attorney and the loan agreement (as described in item (d));

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- (d) a loan agreement dated 1 July 2016 and entered into by and among (i) Dongguan Ruixing, (ii) Guangdong Guangzheng, (iii) the subsidiary entities of Guangdong Guangzheng as described therein, including Dongguan Guangming Primary School, Dongguan Guangming School, Dongguan Guangzheng Preparatory School, Panjin Guangzheng Preparatory School, Huizhou Guangzheng Preparatory School, Weifang Guangzheng Preparatory School, Huizhou Guangzheng, Panjin Guangzheng, Dongguan Wenhui, Weifang Guangzheng and Guang'an Guangzheng (together, the “**Subsidiary Entities**”), the list of which is to be updated to include the entities that Guangdong Guangzheng invests in and controls from time to time (including via contractual arrangements), including but not limited to companies, schools and related entities which Guangdong Guangzheng directly or indirectly holds more than 50% investment interests thereof (as of the date of this document, each of Weifang Guangzheng Preparatory School, Yunfu Guangzheng and Panjin Guangzheng Preparatory School has acknowledged the inclusion of it to the list of Subsidiary Entities (on 28 July 2016, 31 August 2016 and 14 October 2016, respectively) and hence the list of Subsidiary Entities shall be updated accordingly), and (iv) the Registered Shareholders, pursuant to which Dongguan Ruixing (or its designated related party) is entitled to extend interest-free loans to Guangdong Guangzheng or the Registered Shareholders from time to time;
- (e) an equity transfer agreement dated 7 December 2015 entered into by and among Guangdong Guangzheng and Mr. Liu Jiefeng (劉杰鋒), pursuant to which Guangdong Guangzheng agreed to transfer 60% equity interest in Dongguan Guangzheng Pharmaceutical to Mr. Liu Jiefeng (劉杰鋒) at a consideration of RMB600,000;
- (f) an equity transfer agreement dated 18 January 2016 entered into by and among Guangdong Guangzheng and Mr. Liu, pursuant to which Guangdong Guangzheng agreed to transfer RMB42,000,000 equity interest in Nantong Guangzheng to Mr. Liu at a consideration of RMB700,000;
- (g) an equity transfer agreement dated 18 January 2016 entered into by and among Guangdong Guangzheng and Ms. Li, pursuant to which Guangdong Guangzheng agreed to transfer RMB18,000,000 equity interest in Nantong Guangzheng to Ms. Li at a consideration of RMB300,000;
- (h) an equity transfer agreement dated 29 January 2016 entered into by and among Guangdong Guangzheng and Mr. Liu Jiefeng (劉杰鋒), pursuant to which Guangdong Guangzheng agreed to transfer 60% equity interest in Dongguan Guangzheng Property to Mr. Liu Jiefeng (劉杰鋒) at a consideration of RMB120,000;
- (i) an equity transfer agreement dated 29 January 2016 entered into by and among Guangdong Guangzheng and Mr. SP Liu, pursuant to which Guangdong Guangzheng agreed to transfer 40% equity interest in Dongguan Guangzheng Property to Mr. SP Liu at a consideration of RMB80,000;
- (j) the Deed of Non-competition;
- (k) the Deed of Indemnity;
- (l) the Deed of Undertaking; and
- (m) [REDACTED] Agreement.

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2. Intellectual Property Rights

As at the Latest Practicable Date, the Group had registered the following intellectual property rights which are material to its business:

(a) Trademarks

Trademark	Registered Owner	Class(es)	Place of Registration	Validity Period	Registration Number
	Guangdong Guangzheng (Note)	36	PRC	14 March 2014 to 13 March 2024	11589782
	Guangdong Guangzheng (Note)	36	PRC	14 March 2014 to 13 March 2024	11589840
	Guangdong Guangzheng (Note)	41	PRC	14 March 2014 to 13 March 2024	11589933
	Guangdong Guangzheng (Note)	41	PRC	14 April 2014 to 13 March 2024	11589979
	Guangdong Guangzheng (Note)	16	PRC	14 March 2015 to 13 March 2025	11590192
A) 	Bright Education HK	16, 36 and 41	Hong Kong	6 October 2015 to 5 October 2025	303556099
B) 					

Note: Bright Education HK and Guangdong Guangzheng entered into a trademark transfer agreement on 25 January 2016 in relation to the transfer of these trademarks from Guangdong Guangzheng to Bright Education HK at the consideration of RMB100,000. As at the Latest Practicable Date, the registration of the transfer was still in progress.

(b) Domain names (Note)

Domain Name	Registered owner	Expiration Date
gmhs.com.cn	Dongguan Guangming School	29 November 2017
gmhs.cn	Dongguan Guangming School	29 November 2019
gmhs.cn	Dongguan Guangming Primary School	1 December 2017
wisdomeducationintl.com	Our Company	29 December 2017

Note: The information on the websites does not form part of this document.

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C. FURTHER INFORMATION ABOUT OUR DIRECTORS

1. Directors

(a) *Disclosure of Interest*

Interests and Short Positions of Our 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 [REDACTED] and the [REDACTED] and assuming that the [REDACTED] is not exercised at all and without taking into account any Shares which may be issued upon the exercise of any options granted under the [REDACTED] Share Option Scheme or options which may be granted under the Share Option Scheme, the interests and short positions of our Directors or chief executives of our Company in the Shares, underlying shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO) which have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to our Company and the Stock Exchange, once the Shares are listed, are as follows:

Long position in the Shares, underlying shares and debentures of our Company:

Name of Director	Nature of interest	Total number of Shares held	Approximate % of interest in our Company
Mr. Liu ⁽¹⁾	Interest in controlled corporation ⁽²⁾	[REDACTED]	[REDACTED]%
Ms. Li ⁽¹⁾	Interest in controlled corporation ⁽³⁾	[REDACTED]	[REDACTED]%
Mr. Ng Cheuk Him	Beneficial owner ⁽⁴⁾	[REDACTED]	[REDACTED]%

Notes:

- (1) Mr. Liu and Ms. Li are co-founders of our Group and are parties acting in concert with each other.
- (2) Mr. Liu holds the entire issued share capital of Bright Education Holdings and is therefore deemed to be interested in [REDACTED] Shares held by Bright Education Holdings.
- (3) Ms. Li holds the entire issued share capital of Bright Education Investment and is therefore deemed to be interested in [REDACTED] Shares held by Bright Education Investment.
- (4) These represented the underlying Shares under the options granted to Mr. Ng Cheuk Him under the [REDACTED] Share Option Scheme.

(b) *Directors’ Service Contracts and Letters of Appointment*

Each of the executive Directors has entered into a service contract with us with effect from the [REDACTED] for an initial term of three years or until the third annual general meeting of the Company from the [REDACTED] (whichever is earlier). Under these service contracts, our executive Directors are entitled to a director’s fee and a discretionary year-end bonus as may be approved by the Board from time to time.

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Each of our independent non-executive Directors has entered into an appointment letter with us for an initial term of three years or until the third annual general meeting of the Company from the [REDACTED] (whichever is earlier) which may be terminated by either party by serving on the other party a prior written notice of not less than three months. Under these appointment letters, each of them will receive an annual director’s fee of HK\$250,000.

None of our Directors has or is proposed to have a service contract with any member of our Group other than contracts expiring or determinable by the employer within one year without the payment of compensation other than the statutory compensation.

Under the arrangements currently in force, it is expected that the aggregate remuneration payable to and benefits in kind receivable by the Directors for the year ending 31 August 2017 would amount to approximately HK\$7.5 million (excluding discretionary bonus (if any), options granted under the [REDACTED] Share Option Scheme and options that may be granted under the Share Option Scheme).

2. Interest in Material Contract or Arrangement

Save for the individual construction agreements as disclosed in the section headed “Connected Transaction – One-off Transactions with Dongguan Cinese Real Estate” and the Contractual Arrangements as disclosed in the section headed “Continuing Connected Transactions”, there is no contract or arrangement subsisting at the date of this document in which a Director is materially interested and which is significant in relation to the business of our Group.

D. SHARE OPTION SCHEMES

1. [REDACTED] Share Option Scheme

The following is a summary of the principal terms of the [REDACTED] Share Option Scheme approved and adopted by the Board on 3 January 2017:

(a) Purpose

The purpose of the [REDACTED] Share Option Scheme is to provide incentive or reward to Eligible Participants (as defined in sub-paragraph (b)) for their contribution to, and continuing efforts to promote the interests of, our Company and to enable our Group to recruit and retain high-calibre employees. In determining the basis of eligibility of each Eligible Participant, the Board would take into account such factors as the Board may at its discretion consider appropriate.

(b) Who may participate

The Board may at its discretion grant options to persons who satisfy the following eligibility criteria (“Eligible Participant(s)”):

- (i) any executive, non-executive or independent non-executive director of any member of our Group or an entity in which our Group holds an interest (“Affiliate”);
- (ii) any employee of any member of our Group or an Affiliate;
- (iii) any customer, supplier, agent, partner, consultant, adviser or shareholder (including director(s) thereof) of, or contractor to, any member of our Group or an Affiliate;
- (iv) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, customer, supplier, agent, partner, consultant, adviser or shareholder of, or contractor to, any member of our Group or an Affiliate; or

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- (v) a company beneficially owned by any director, employee, consultant, customer, supplier, agent, partner, shareholder, adviser of, or contractor to, any member of our Group or an Affiliate.

In order for a person to satisfy the Board that he or she is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing his eligibility (or continuing eligibility). The Board shall (subject to the provisions of the [REDACTED] Share Option Scheme) have absolute discretion as to whether or not to grant option(s) to any particular Eligible Participant.

(c) Grant of options

The Board shall be entitled but shall not be bound at any time on or after the adoption date of the [REDACTED] Share Option Scheme and not later than the date of this document to grant options to any Eligible Participants as the Board may at its absolute discretion select, and subject to such conditions as the Board may at its absolute discretion think fit, to subscribe for such number of Shares as the Board may determine at the Subscription Price (as defined in sub-paragraph (f)). Each grant of options shall be in writing made to an Eligible Participant (the “**Grantee**”) by letter in such form as the Board may from time to time determine (the “**Grant Letter**”). Unless otherwise determined by the Board and specified in the Grant Letter at the time of the grant, the Grantee is not required to achieve any performance targets.

(d) Payment on grant

There is no monetary consideration for the grant of any option.

(e) Maximum number of Shares available for subscription

The maximum number of Shares in respect of which options may be granted under the [REDACTED] Share Option Scheme shall be such number of Shares representing 10% of the enlarged issued share capital of the Company as at the [REDACTED], subject to adjustment as set out in sub-paragraph (l) below.

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

(f) Subscription price

Subject to any adjustments described under sub-paragraph (l), the subscription price in respect of each Share issued pursuant to the exercise of options granted under the [REDACTED] Share Option Scheme shall be determined by the Board at its discretion and set out in the relevant Grant Letter(s), provided that it shall not be less than the nominal value of a Share as at the date of grant (the “**Subscription Price**”).

(g) Exercise of options

An option may be exercised according to the terms of the [REDACTED] Share Option Scheme and the relevant Grant Letter in whole or in part by the Grantee (or his personal representatives) before its expiry by giving notice in writing to the Company stating that the option is to be exercised and the number of Shares in respect of which it is exercised, provided

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that the number of Shares shall be equal to the size of a board lot for dealing in Shares on the Stock Exchange or an integral number thereof. The Grantee (or his personal representative) shall also pay to our Company (or as our Company may otherwise direct) the subscription price and the relevant fees and charges, if any, in Hong Kong dollars in immediately available funds. Within 30 days after receipt of the notice and the relevant payment amount, and (where appropriate) receipt of the auditors of our Company’s or the independent financial adviser’s certificate under sub-paragraph (l), our Company shall allot and issue the relevant Shares to the Grantee (or his personal representatives) credited as fully paid and issue to the Grantee (or his personal representatives) a share certificate in respect of the Shares so allotted.

If:

- (i) subject to sub-paragraph (ii) below and sub-paragraphs (j)(iii) and (j)(vi), the Grantee who holds any Unvested Option (as defined in sub-paragraph (p)) ceases to be an Eligible Participant for any reason, such Unvested Option may only be exercised during such period and in such manner as the Board may in its sole and absolute discretion determine (and, for the avoidance of doubt, in such scenario the Board may in its sole and absolute discretion determine that the right to exercise such Unvested Option shall terminate), and such scenario does not apply to any Vested Option;
- (ii) the Grantee of an outstanding option dies or becomes permanently disabled before exercising the option in full or at all, the option may be exercised up to the entitlement of such Grantee or, if appropriate, an election made pursuant to sub-paragraphs (iii), (iv), (v) or (vi) below by his personal representatives within twelve (12) months after the date of his death or permanent disability or such longer period as the Board may in its sole and absolute discretion determine;
- (iii) a general offer by way of a take-over is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, the Grantee (or his personal representatives) may thereafter (but before such time as shall be notified by our Company) exercise the option to its full extent or to the extent specified in such notice;
- (iv) a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, the Grantee (or his personal representatives) may thereafter (but before such time as shall be notified by our Company) by notice in writing to our Company exercise the option to its full extent or to the extent specified in such notice;
- (v) other than a general offer or a scheme of arrangement contemplated in sub-paragraphs (iii) and (iv) above, a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company or companies, our Company shall give notice thereof to the Grantee (together with a notice of the existence of the provisions of this paragraph) on the same date or soon after it despatches the notice to each member or creditor of our Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee (or his personal representatives) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of two months thereafter and the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction, exercise any of his options whether in full or in part, but the exercise of an option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. Upon such compromise or arrangement

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becoming effective, all options shall lapse except insofar as previously exercised under the [REDACTED] Share Option Scheme. Our Company may require the Grantee (or his personal representatives) to transfer or otherwise deal with the Shares issued as a result of the exercise of options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement; and

- (vi) a notice is given by our Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall on the same date as or soon after it despatches such notice to each member of our Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each Grantee (or his personal representatives) shall be entitled to exercise all or any of his options at any time not later than two business days prior to the proposed general meeting of the Company by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

The exercise of any option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of our Company. Subject to such approval, the Board shall make available sufficient authorised but unissued share capital of our Company to meet subsisting requirements on the exercise of options.

(h) Transfer of options

An option is personal to the Grantee and shall not be assignable nor transferable, and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option granted under the [REDACTED] Share Option Scheme.

(i) Ranking of the Shares

The Shares to be allotted upon the exercise of an option shall be subject to our Company’s Memorandum and Articles of Association for the time being in force and shall rank *pari passu* in all respects with the fully paid Shares in issue of our Company as at the date of allotment and entitles the holders to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the date of allotment.

(j) Lapse of options

The right to exercise an option (to the extent not already exercised) shall terminate immediately upon the earliest of:

- (i) the expiry of the period commencing on the [REDACTED] and ending on the date immediately before the 9th anniversary of the [REDACTED] (the “**Exercise Period**”);
- (ii) the expiry of any of the periods referred to in sub-paragraphs (g)(i), (g)(ii) or (g)(iii);
- (iii) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in sub-paragraph (g)(iv);
- (iv) subject to the compromise or arrangement referred to in sub-paragraph (g)(v);

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- (v) subject to sub-paragraph (g)(vi), the date of the commencement of the winding-up of the Company;
- (vi) in respect of an Unvested Option (as defined in sub-paragraph (p)), the date on which the Grantee of such Unvested Option ceases to be an Eligible Participant by reason of summary dismissal for misconduct or other breach of the terms of his employment or other contract constituting him an Eligible Participant, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty. A resolution of the Board to the effect that the employment or other relevant contract of a Grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive;
- (vii) the date on which the Grantee commits a breach of sub-paragraph (h); or
- (viii) the date on which the option is cancelled by the Board as provided in sub-paragraph (k).

The Company shall owe no liability to any Grantee for the lapse of any option under this sub-paragraph (j).

(k) Cancellation of options

The Board may cancel an option granted but not exercised by a Grantee with the approval of an option-holder of such option.

No options may be granted to an Eligible Participant in place of his cancelled options unless there are available unissued options (excluding the cancelled options) within the limit as mentioned in sub-paragraph (c).

(l) Effect of alterations in share capital

Subject to the second paragraph of sub-paragraph (e), in the event of any alteration in the capital structure of our Company whilst any Option remains exercisable whether by way of capitalisation of profits or reserves, rights issue, repurchase consolidation, redenomination, subdivision of shares or reduction of the share capital of our Company in accordance with applicable laws and regulatory requirements (other than an issue of any share capital as consideration in respect of a transaction, such corresponding adjustments (if any) shall be made to:

- (i) the number of Shares, the subject matter of the option in so far as it is unexercised;
- (ii) the price at which the options are exercisable; or

as the auditors or independent financial adviser appointed by the Board shall certify in writing to the Board to be in their opinion fair and reasonable.

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

The auditors of the Company or the independent financial advisor selected by the Board (as appropriate) must confirm to the Board in writing that the adjustment satisfies the

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requirements of the Note to paragraph 17.03(13) of the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange (including, without limitation, the “Supplemental Guidance on Main Board Listing Rule 17.03(13) and the Notice immediately after the Rule” attached to the letter of the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes), except where such adjustment is made on a capitalisation issue.

The capacity of the auditors or independent financial advisors is that of experts and not of arbitrators and their certification shall be final and binding on the Company and the Grantees in the absence of fraud or manifest error. The costs of the auditors or independent financial advisors shall be borne by the Company.

The Company will notify a Grantee of any adjustments made in accordance with this sub-paragraph (l).

(m) Duration and Administration of the [REDACTED] Share Option Scheme

Subject to the termination provisions in sub-paragraph (o), no further options will be granted after the date of this document but in all other respects the provisions of the [REDACTED] Share Option Scheme shall remain in full force and effect to the extent necessary or desirable to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the [REDACTED] Share Option Scheme, and options which are granted on or before the date of this document may continue to be exercisable in accordance with their terms of issue.

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

Subject to compliance with the provisions of the [REDACTED] Share Option Scheme, the Board shall have the right (i) to interpret and construe the provisions of the [REDACTED] Share Option Scheme; (ii) to determine the Eligible Participants under the [REDACTED] Share Option Scheme and the number of Shares to be issued under the options; (iii) to determine the Subscription Price; (iv) to make such appropriate and equitable adjustments to the terms of options granted under the [REDACTED] Share Option Scheme as it deems necessary or desirable; and (v) to make such other appropriate decisions, determinations or regulations as it shall deem necessary or desirable in the administration of the [REDACTED] Share Option Scheme.

(n) Alteration of the [REDACTED] Share Option Scheme

The [REDACTED] Share Option Scheme may be altered in any respect by resolution of the Board provided that any such alteration is not inconsistent with the Articles of Association. Any change to the authority of the Board in relation to any alterations to the terms of the [REDACTED] Share Option Scheme must be approved by the Shareholders in a general meeting. Any alterations to the provisions of the [REDACTED] 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 the alterations take effect automatically under the existing provisions of the [REDACTED] Share Option Scheme.

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

Our Company, by resolution in general meeting, or the Board may at any time terminate the operation of the [REDACTED] Share Option Scheme and in such event no further option will be offered but in all other respects the provisions of the [REDACTED] Share Option Scheme shall remain in full force and effect and options granted prior to such termination shall continue to be valid and exercisable in accordance with the [REDACTED] Share Option Scheme.

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(p) *Conditions of the [REDACTED] Share Option Scheme*

The [REDACTED] Share Option Scheme shall take effect on its adoption. Any exercise of an option is conditional upon:

- (i) the [REDACTED] Committee granting approval of the [REDACTED] of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any options granted;
- (ii) the commencement of dealings in the Shares on the Stock Exchange; and
- (iii) the vesting period and any other conditions in respect of such option as set out in the Grant letter (the options that have not yet fallen within the aforesaid vesting period, the “Unvested Options”, and the Options that have fallen with the aforesaid vesting period, the “Vested Options”).

2. Outstanding share options under the [REDACTED] Share Option Scheme

As at the Latest Practicable Date, [REDACTED] share options to subscribe for an aggregate of [REDACTED] Shares were granted to Mr. Ng Cheuk Him, our executive Director, chief financial officer and company secretary under the [REDACTED] Share Option Scheme. No consideration was paid by any of the grantees for the share options granted by the Company to them under the [REDACTED] Share Option Scheme. The Shares to be issued upon the full exercise of such options represent approximately [REDACTED]% of the enlarged issued share capital of the Company upon the completion of the Capitalisation Issue and the [REDACTED] (assuming that the [REDACTED] is not exercised at all and without taking into account any Shares which may be issued pursuant to any exercise of options granted under the [REDACTED] Share Option Scheme or options that may be granted under the Share Option Scheme).

The table below shows details of the outstanding share options granted under the [REDACTED] Share Option Scheme as at the date of this document. The exercise price for all the share options granted shall represent a [REDACTED]% discount to the final [REDACTED]:

Name of option holder	Position held with our Group	Address	Number of Shares represented by options	Approximate percentage of shareholding (%) ⁽¹⁾
Mr. Ng Cheuk Him	Executive Director, chief financial officer and company secretary	Flat A, 3/F., Block 18, Cherry Mansions, 9 Shung King Street, Site 2 Whampoa Garden, Hung Hum, Kowloon, Hong Kong	[REDACTED]	[REDACTED]

Note:

- (1) Approximate shareholding percentage in our Company immediately following the completion of the Capitalisation Issue and [REDACTED] (assuming that the [REDACTED] is not exercised at all and without taking into account any Shares which may be issued pursuant to the exercise of any options granted under the [REDACTED] Share Option Scheme or options that may be granted under the Share Option Scheme).

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Subject to any alterations to the capital structure of the Company referred to in sub-paragraph (l) above after the [REDACTED], the maximum number of Shares in respect of which options may be granted under the [REDACTED] Share Option Scheme is [REDACTED] Shares, representing approximately [REDACTED]% of the issued share capital of the Company immediately upon completion of the [REDACTED] and the [REDACTED] (assuming no Shares are issued pursuant to the exercise of any options granted under the [REDACTED] Share Option Scheme), or approximately [REDACTED]% of the enlarged issued share capital of the Company upon full exercise of all the outstanding options under the [REDACTED] Share Option Scheme but assuming that the [REDACTED] is not exercised at all and without taking into account any Shares which may be issued pursuant to the exercise of any options that may be granted under the Share Option Scheme. Accordingly, assuming full exercise of the outstanding options granted under the [REDACTED] Share Option Scheme, the shareholding of the Shareholders immediately following completion of the Capitalisation Issue and the [REDACTED] will be diluted by approximately [REDACTED]%. Further, assuming that (i) the Company had been listed on the Stock Exchange since the [REDACTED] with 2,000,000,000 Shares in issue; (ii) the final [REDACTED] is HK\$[REDACTED], being the mid point of the [REDACTED] range; and (iii) all the [REDACTED] Share Option Scheme in respect of [REDACTED] Shares were exercised in full on the [REDACTED], the earning per Share on a pro forma diluted basis would be approximately HK\$[REDACTED] (unaudited) for the year ended 31 August 2016. Save and except as set out above, no other options have been granted or agreed to be granted by the Company under the [REDACTED] Share Option Scheme.

The grantee under the [REDACTED] Share Option Scheme as referred to in the table above is not required to pay for the grant of any option under the [REDACTED] Share Option Scheme. The exercise price per Share for such option granted shall represent a discount of 70% to the final [REDACTED].

The share options of each grantee shall be vested in accordance with the vesting schedule as follows:

- (i) as to 30% of the aggregate number of Shares underlying the share options on the [REDACTED];
- (ii) as to 30% of the aggregate number of Shares underlying the share options on the first anniversary of the [REDACTED]; and
- (iii) as to the remaining 40% of the aggregate number of Shares underlying the share options on the second anniversary of the [REDACTED].

Each share option granted under the [REDACTED] Option Scheme may be exercised during the period commencing on the [REDACTED] and ending on the date immediately before the 9th anniversary of the [REDACTED].

3. Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme conditionally approved and adopted by the Shareholders on 3 January 2017 the implementation of which is conditional on the [REDACTED]:

(a) Purposes of the scheme

The purpose of the Share Option Scheme is to incentivise and reward the Eligible Persons (as defined in sub-paragraph (b) below) for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company.

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(b) Who may participate

The Board may at its discretion grant options to persons who satisfy the following eligibility criteria (“**Eligible Person(s)**”):

- (i) any executive, non-executive or independent non-executive director of any member of our Group or an entity in which our Group holds an interest (“**Affiliate**”);
- (ii) any employee of any member of our Group or an Affiliate;
- (iii) any customer, supplier, agent, partner, consultant, adviser or shareholder (including director(s) thereof) of, or contractor to, any member of our Group or an Affiliate;
- (iv) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, customer, supplier, agent, partner, consultant, adviser or shareholder of, or contractor to, any member of our Group or an Affiliate; or
- (v) a company beneficially owned by any director, employee, consultant, customer, supplier, agent, partner, shareholder, adviser of, or contractor to, any member of our Group or an Affiliate.

In order for a person to satisfy the Board that he or she is qualified to be (or, where applicable, continues to qualify to be) an Eligible Person, such person shall provide all such information as the Board may request for the purpose of assessing his eligibility (or continuing eligibility). The Board shall (subject to the provisions of the Share Option Scheme) have absolute discretion as to whether or not to grant option(s) to any particular Eligible Person.

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

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes (including but not limited to the [REDACTED] Share Option Scheme, the “**Other Schemes**”) of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the [REDACTED] i.e. 200,000,000 Shares (the “**Scheme Mandate Limit**”). Options lapsed in accordance with the terms of the Share Option Scheme and any Other Scheme of the Company will not be counted for the purpose of calculating the Scheme Mandate Limit.

The Board may, with the approval of the Shareholders in general meeting, refresh the Scheme Mandate Limit provided that the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any Other Schemes of the Company under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of on which the Shareholders approve the refreshment of the Scheme Mandate Limit. Options previously granted under the Share Option Scheme and any Other Schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the terms of the relevant scheme, or exercised options) will not be counted for the purpose of calculating the Scheme Mandate Limit as “refreshed”.

The Board may, with the approval of the Shareholders in general meeting and subject to the limit set out in the immediately following paragraph, grant options to any Eligible Person(s) specifically identified by them which would cause the Scheme Mandate Limit to be exceeded. The Company shall send to the Shareholders a circular containing the information required under the Listing Rules for the purpose of seeking the approval of the Shareholders.

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and not yet exercised under the Share Option Scheme and any Other Schemes of the Company to Eligible Persons must not exceed 30% of the total number of Shares in issue from time to time.

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

(d) Maximum entitlement of each individual

No options shall be granted to any Eligible Person under the Share Option Scheme and any Other Schemes of the Company which, if exercised, would result in such Eligible Person becoming entitled to subscribe for such number of Shares as, when aggregated with the total number of Shares already issued or to be issued to him under all options granted to him (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of offer of such options, exceeds 1% of the Shares in issue at such date. Any further grant of options to an Eligible Person in excess of this 1% limit shall be subject to the approval of the Shareholders in general meeting with such Eligible Person and his associates abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Eligible Person in question, the number and terms of the options to be granted (and options previously granted to such Eligible Person) and such other information required under the Listing Rules. The number and terms (including the exercise price) of the options to be granted to such Eligible Person must be fixed before the Shareholder' approval and the date of the Board meeting approving such further grant shall be taken as the date of offer for the purpose of determining the exercise price of the options.

(e) Grant of options to connected persons

Each grant of options to a director (including an independent non-executive Director) of any member of the Group or associated company of the Company, chief executive or substantial shareholder of the Company or any of its subsidiaries, or any of their respective associates, under the Share Option Scheme must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee of the options).

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

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

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

(f) Acceptance of an offer of options

An offer of options shall be open for acceptance in writing or by facsimile transmission or (if the Board agree) by electronic communication received by the Chairman (or a person designated by him with the approval of the Board) for such period (not exceeding 30 days

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inclusive of, and from, the date of offer) as the Board may determine and notify to the Eligible Person concerned provided that no such offer shall be open for acceptance after the expiry of the duration of the Share Option Scheme. An offer of options not accepted within this period shall lapse. An amount of HK\$1.00 is payable upon acceptance of the grant of an option and such payment shall not be refundable and shall not be deemed to be a part payment of the exercise price. The Company shall issue option certificates to any Eligible Person who has accepted an offer under the common seal of the Company (or the securities seal of the Company) within seven days after the end of the period for acceptance of the offer.

(g) Exercise price

Subject to any adjustment made as described in sub-paragraph (u) below, the exercise price shall be such price as determined by the Board and notified to an option-holder and which shall not be less than the higher of: (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets on the date of offer of the option; (ii) the average of the closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five trading days immediately preceding the date of offer of the option; and (iii) the nominal value of the Shares.

(h) Duration of Share Option Scheme

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

(i) Time of vesting and exercise of options

Any option shall be vested on an option-holder immediately upon his acceptance of the offer of options provided that if any vesting schedule and/or conditions are specified in the offer of the option, such option shall only be vested on an option-holder according to such vesting schedule and/or upon the fulfilment of the vesting conditions (as the case may be). Subject to the restrictions set out in sub-paragraph (l) and also subject to sub-paragraphs (q) and (r), any vested option which has not lapsed and which conditions have been satisfied or waived by the Board in its sole discretion may, unless the Board determines otherwise in its absolute discretion, be exercised at any time from the next business day after the offer of options has been accepted. Subject to sub-paragraph (t) below, any option which remain unexercised shall lapse upon the expiry of the option period, which period shall be determined by the Board and shall not exceed ten years from the offer date of the option (the “**Option Period**”).

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

If an option-holder is transferred to work in the PRC or another country and still continues to hold a salaried office or employment under a contract with a member of the Group or associated companies of the Company, and as a result of that transfer, he either (i) suffers a tax disadvantage in relation to his options (this being shown to the satisfaction of the Board); or (ii) becomes subject to restrictions on his ability to exercise his options or to hold or deal in the Shares or the proceeds of the sale of the Shares acquired on exercise because of the security

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laws or exchange control laws of the PRC or the country to which he is transferred, then the Board may allow him to exercise his options, vested or unvested, during the period starting three months before and ending three months after the transfer takes place.

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

An option-holder may exercise any or all of his options by notice of exercise in writing in such form as the Board may from time to time require delivered to the Chairman (or a person designated by him with the approval of the Board). The notice of exercise of the option must be completed, signed by the option-holder or by his appointed agent, and must be accompanied by the:

- (i) relevant option certificate; and
- (ii) correct payment in full in cleared funds of the total option price for the number of Shares being acquired.

(j) Restriction on the time of grant of options

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

- (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 the Company’s results for any year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to publish an announcement of the results for any year, or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

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

(k) Ranking of the Shares

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

(l) Restrictions on transfer

Except for the transmission of an option on the death of an option-holder to his personal representatives, neither the option nor any rights in respect of it may be transferred, assigned or otherwise disposed of by any option-holder to any other person or entity. If an option-holder transfers, assigns or disposes of any such option or rights, whether voluntarily or involuntarily, then the relevant option will immediately lapse, while all options (to the extent unvested) will lapse on the date of cessation of employment of such Eligible Person.

(m) Rights on voluntary resignation

If an option-holder ceases to be an Eligible Person by reason of his voluntary resignation (other than in circumstances where he is constructively dismissed), any outstanding offer of

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options shall continue to be open for acceptance for such period as determined by the Board at its absolute discretion and notified to such Eligible Person, and all options (to the extent vested but not already exercised) will continue to be exercisable for such period as the Board may determine at its absolute discretion and notify to such Eligible Person on the date of cessation of employment of such Eligible Person.

(n) Rights on termination of employment

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

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

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

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

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

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

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

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

(p) Rights on cessation to be a director

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

(q) Rights on a general offer

In the event of a general offer by way of a take-over is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional, an option-holder (or his personal representatives) may thereafter (but before such time as shall be notified by the Company) exercise the option to its full extent or to the extent specified in such notice.

(r) Rights on company reconstructions

In the event of a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, an option-holder (or his personal representatives) may thereafter (but before such time as shall be notified by the Company) by notice in writing to the Company exercise the option to its full extent or to the extent specified in such notice.

Other than a general offer contemplated in sub-paragraph (q) above or a scheme of arrangement, if a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to an option-holder (together with a notice of the existence of the provisions of this paragraph) on the same date or soon after it despatches the notice to each member or

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creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the option-holder (or his personal representatives) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of two months thereafter and the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction, exercise any of his options whether in full or in part, but the exercise of an option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. Upon such compromise or arrangement becoming effective, all options shall lapse except insofar as previously exercised under the Share Option Scheme. The Company may require the option-holder (or his personal representatives) to transfer or otherwise deal with the Shares issued as a result of the exercise of options in these circumstances so as to place the option-holder in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement.

(s) Rights on winding up

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all option-holder (together with a notice of the existence of the provisions of this paragraph) and thereupon, each option-holder (or his personal representatives) is entitled to exercise all or any of his options at any time not later than two business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate exercise price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the option-holder credited as fully paid.

(t) Lapse of options

An option will lapse on the earlier of:

- (i) the expiry of the Option Period as determined by the Board;
- (ii) the date on which an option-holder is in breach of sub-paragraph (l); or
- (iii) the expiry of the time provided for in the applicable rule where any of the circumstances provided in sub-paragraphs (m) to (s) above apply.

(u) Effect of alteration to share capital

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

Any such adjustments shall be made on the basis that an option-holder shall have the same proportion of the issued share capital of the Company as that to which he was entitled before such adjustment. No such adjustment shall be made the effect of which would be to enable any

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Share to be issued at less than its nominal value, or to increase the proportion of the issued share capital of the Company for which any option-holder would have been entitled to subscribe had he exercised all the options held by him immediately prior to such adjustments.

The auditors of the Company or the independent financial advisor selected by the Board (as appropriate) must confirm to the Board in writing that the adjustment satisfies the requirements of the Note to paragraph 17.03(13) of the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange (including, without limitation, the “Supplemental Guidance on Main Board Listing Rule 17.03(13) and the Notice immediately after the Rule” attached to the letter of the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes), except where such adjustment is made on a capitalisation issue.

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

The Company will notify an option-holder of any adjustments made in accordance with sub-paragraph (u).

(v) Cancellation of options

The Board may cancel an option granted but not exercised by an option-holder with the approval of an option-holder of such option.

No options may be granted to an Eligible Person in place of his cancelled options unless there are available unissued options (excluding the cancelled options) within the limit as mentioned in sub-paragraph (c).

(w) Termination of the Share Option Scheme

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

(x) Amendments to the Share Option Scheme

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

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

The Board need not obtain the approval of the shareholders of the Company in general meeting for any minor amendments:

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- (i) to benefit the administration of the Share Option Scheme;
- (ii) to comply with or take account of the provisions of any proposed or existing legislation;
- (iii) to take account of any changes to any legislative or regulatory requirements; or
- (iv) to obtain or maintain favourable tax, exchange control or regulatory treatment of any member of the Group or any present or future option-holder.

Any amendments to the terms of options granted to an option-holder who is a substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates, must be approved by the Shareholders in general meeting. The resolution to approve the amendment must be taken on a poll and the grantee, his associates and core connected persons of the Company must abstain from voting in favour of the resolution to approve such amendment.

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

The amended terms of the Share Option Scheme must still comply with Chapter 17 of the Listing Rules.

(y) Conditions of the Share Option Scheme

The adoption of the Share Option Scheme is conditional on:

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

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

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

An application has been made to the Listing Committee to the Stock Exchange for the [REDACTED] of, and permission to deal in, the new Shares which may be issued pursuant to the exercise of the options which may be granted pursuant to the Share Option Scheme. As of the Latest Practicable Date, no option had been granted or agreed to be granted by the Company pursuant to the Share Option Scheme. Details of the Share Option Scheme, including particulars and movements of the options granted during each financial year of the Company, and the employee costs arising from the grant of the options will be disclosed in the annual report.

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E. OTHER INFORMATION

1. Deed of Indemnity

Our Controlling Shareholders entered into the Deed of Indemnity dated 3 January 2017 in favour of our Company to jointly and severally indemnify and at all times keep indemnified our Company (for itself and as trustee for the benefit of the other members of the Group) and hold our Company (for itself and as trustee for the benefit of the other members of the Group) harmless on demand against, among other things, any demands, actions, claims, losses, liabilities, damages, costs, charges, fees, penalties, fines or expenses made, suffered or incurred by any member of the Group in respect of or arising directly or indirectly from:

- (a) any title or other defects that exist and existed on or before the date on which the [REDACTED] becomes unconditional (the “**Relevant Date**”) with respect to the Group’s owned or leased real estate properties, and the Controlling Shareholders jointly and severally undertake to the Company (for itself and as trustee for the benefit of the other Group Companies) that they shall procure alternative premises for the use by any of the Group Companies where appropriate or necessary in the circumstances;
- (b) any non-compliance or alleged non-compliance by any member of the Group with any applicable laws, rules and regulations in Hong Kong, the PRC, or any other jurisdictions relevant to the members of the Group or any of them for so long as such non-compliance or alleged non-compliance occurs or occurred on or before the Relevant Date;
- (c) the amount of any taxation falling on any member of the Group in respect of and to the extent of any of the following: (i) non-compliance or alleged non-compliance by any member of the Group with any applicable laws, rules and regulations in Hong Kong, the PRC, or any other jurisdictions relevant to the members of the Group or any of them for so long as such non-compliance or alleged non-compliance occurs or occurred on or before the Relevant Date; and (ii) historical shortfall on taxation in tax filings made on or before the Relevant Date;
- (d) all costs (including legal costs), expenses and other liabilities which members of the Group may properly incur in connection with:
 - (i) the investigation or the contesting of any matters referred to in paragraphs (a), (b) and (c) above and this paragraph (d);
 - (ii) procuring suitable alternative premises for the use by any member of the Group where appropriate in relation to the matter referred to in paragraph (a) above;
 - (iii) the settlement of any claim under the Deed of Indemnity;
 - (iv) any legal proceedings in which members of the Group or any of them claim under or in respect of the Deed of Indemnity and in which judgment is given for it; and
 - (v) the enforcement of any such settlement or judgment.

Our Controlling Shareholders shall not be liable to indemnify the Group under the Deed of Indemnity:

- (a) where:
 - (i) provision has been made for such taxation in the audited consolidated accounts of the Group for the three years ended 31 August 2016; or
 - (ii) such taxation arises or is incurred as a result of a retrospective change in any applicable laws, rules or regulations coming into force after the Relevant Date; or

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(iii) such taxation arises as a result of any event occurring or income, profits earned, accrued or received or alleged to have been earned, accrued or received or transactions entered into after the Relevant Date; or

(b) to the extent that such taxation or liability would not have arisen but for any act or omission by any member of the Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) effected after the Relevant Date without the prior written consent or agreement of any of the Controlling Shareholders, otherwise than in the ordinary and usual course of business of any member of the Group.

2. Estate Duty

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

3. Litigation

So far as our Directors are aware, no litigation or claim of material importance is pending or threatened against any member of our Group.

4. Sole Sponsor

The Sole Sponsor has made an application on our behalf to the Listing Committee for the listing of, and permission to deal in, the Shares in issue, the Shares to be issued pursuant to the Capitalisation Issue and the [REDACTED] (including any Shares which may fall to be issued pursuant to the exercise of the [REDACTED] and any Shares which may be issued upon the exercise of the options granted under the [REDACTED] Share Option Scheme or options which may be granted under the Share Option Scheme).

The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

Our Company has entered into an engagement agreement with the Sole Sponsor, pursuant to which our Company agreed to pay the Sole Sponsor a fee of US\$700,000 to act as sponsor to our Company in the [REDACTED].

5. Consents of Experts

Each of the experts listed below has given and has not withdrawn its consent to the issue of this document with the inclusion of its report and/or letter and/or summary of valuations and/or opinion (as the case may be) and references to its name included in the form and context in which it appears:

Name	Qualification
BNP Paribas Securities (Asia) Limited	Licensed to conduct type 1 (dealing in securities), type 2 (dealing in future contracts), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Deloitte Touche Tohmatsu	Certified Public Accountants
Commerce & Finance Law Offices	PRC legal adviser
Conyers Dill & Pearman	Cayman Islands attorneys-at-law

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Name	Qualification
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Industry consultant
DTZ Cushman & Wakefield Limited	Property valuer

None of the experts named above has any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries.

6. Binding Effect

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

[REDACTED]

8. Promoter

Our Company has no promoter.

9. Preliminary Expenses

The total preliminary expenses of our Company are estimated to be approximately US\$2,000 and are payable by our Company.

10. Disclaimers

- (a) Save as disclosed in this document, within the two years immediately preceding the date of this document:
 - (i) no share or loan capital or debenture of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be issued for cash or as fully or partly paid other than in cash or otherwise;
 - (ii) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries;
- (b)
 - (i) there are no founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries;
 - (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) no commission was paid within the two years preceding the date of this document, or is payable, by our Company for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares in or debentures of our Company or any of our subsidiaries; and

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- (c) none of our Directors or proposed Directors or experts (as named in this document), have any interest, direct or indirect, in any assets which have been, within the two years immediately preceding the date of this document, acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group.