

---

## CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

---

### OUR CONTROLLING SHAREHOLDERS

So far as our Directors are aware, immediately following completion of the Capitalisation Issue and the Global Offering (without taking into consideration our Shares which may be taken up under the Global Offering and our Shares which may be issued pursuant to the exercise of the Over-allotment Option and any option which may be granted under the Share Option Scheme), the following are our Controlling Shareholders:—

Name	Capacity	Number of Shares held immediately after the Capitalisation Issue and the Global Offering	Approximate percentage of shareholding immediately after the Capitalisation Issue and the Global Offering
Mr. LIN <sup>1</sup> . . . . .	Corporate interest	480,000,000	60.0
Super Creation . . . . .	Beneficial owner	480,000,000	60.0
Mr. LIN Mingxu <sup>2</sup> . . . . .	Beneficial owner	60,000,000	7.5
Mr. LIN Wenzu <sup>2</sup> . . . . .	Beneficial owner	60,000,000	7.5

Notes:—

1. Mr. LIN, an executive Director and our Chairman and our Chief Executive Officer. Mr. LIN is the beneficial owner of the entire issued share capital of Super Creation and is deemed to be interested in our Shares held by Super Creation.
2. Mr. LIN Mingxu and Mr. LIN Wenzu are executive Directors and younger brothers of Mr. LIN and participants of the Trust Scheme.

### DEED OF NON-COMPETITION

For the purpose of the Listing, our Controlling Shareholders and executive Directors (collectively, the “**Covenantors**”) have entered into a deed of non-competition whereby each of the Covenantors jointly and severally, irrevocably and unconditionally, undertakes with our Company that with effect from the Listing Date and for as long as our Shares remain listed on the Stock Exchange and the Covenantors, individually or collectively with their associates, are, directly or indirectly, interested in not less than 30% of our Shares in issue, or are otherwise regarded as Controlling Shareholders, each of the Covenantors shall, and shall procure that their respective associates shall:—

- (a) not directly or indirectly engage, participate or hold any right or interest in or render any services to or otherwise be involved in any business in competition with or likely to be in competition with the existing business activity of our Group or be in competition with our Group in any business activities which our Group may undertake in the future save for the

---

## CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

---

holding of not more than 5% shareholding interests (individually or any of the Covenantors with their associates collectively) in any company listed on the Stock Exchange or any other stock exchange;

- (b) not take any direct or indirect action which constitutes an interference with or a disruption to the business activities of our Group including, but not limited to, solicitation of customers, suppliers and staff of our Group; and
- (c) keep our Directors informed of any matter of potential conflicts of interests between the Covenantors (including their associates) and our Group, in particular, a transaction between any of the Covenantors (including its associates) and our Group.

In addition, each of the Covenantors hereby jointly and severally, irrevocably and unconditionally, undertakes that if any new business opportunity relating to any products and/or services of our Group (the “**Business Opportunity**”) is made available to any of the Covenantors or their respective associates (other than members of our Group), it or he or she will direct or procure the relevant associate to direct such Business Opportunity to our Group with such required information to enable our Group to evaluate the merits of the Business Opportunity. The relevant Covenantor shall provide or procure the relevant associate to provide all such reasonable assistance to enable our Group to secure the Business Opportunity.

None of the Covenantors and their respective associates (other than members of our Group) will pursue the Business Opportunity until we decide not to pursue the Business Opportunity because of commercial reasons. Any decision of our Company will have to be approved by the independent non-executive Directors taking into consideration our prevailing business and financial resources, the financial resources required for the Business Opportunity and any expert opinion on the commercial viability of the Business Opportunity.

None of our Controlling Shareholders or Directors is interested in any business apart from the business operated by members of our Group which competes or is likely to compete, directly or indirectly, with our Group’s business under Rule 8.10 of the Listing Rules.

Each of the Covenantors further jointly and severally, irrevocably and unconditionally, undertakes that it or he or she will (i) provide to us all information necessary for the enforcement of the undertakings contained in the deed of non-competition and (ii) confirm to our Company on an annual basis as to whether it or he or she has complied with such undertakings.

The deed of non-competition will cease to have any effect on the earliest of the date on which:—

- (a) our Company becomes wholly-owned by the Covenantors and/or their associates;
- (b) the aggregate beneficial shareholding (whether direct or indirect) of the Covenantors and/or their associates in our Shares falls below 30% of the number of Shares in issue or the relevant Covenantor shall cease to be a controlling shareholder (as defined in the Listing Rules) of our Company;

---

## **CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS**

---

- (c) in the case of any executive Director who is not a Controlling Shareholder, ninety (90) days from the date of resignation or termination of her service contract with our Company as a result of her breach of the relevant service contract, provided that if the relevant service contract is terminated by our Company without any breach on the part of the relevant executive Director, the date of termination of the relevant service contract; or
- (d) our Shares cease to be listed on the Stock Exchange.

### **CORPORATE GOVERNANCE MEASURES**

Our Directors believe that there are adequate corporate governance measures in place to manage the conflict of interests arising from the competing business and to safeguard the interests of our Shareholders, including:—

- (a) review by our independent non-executive Directors on an annual basis on the compliance with the deed of non-competition by the Covenantors, the options, the pre-emptive rights or first rights of refusals provided by our Controlling Shareholders on their existing or future competing businesses;
- (b) undertakings by the Covenantors that they will provide to us all information necessary for the enforcement of the deed of non-competition, and confirm to us on an annual basis as to whether he or she or it has complied with the above non-competition undertakings;
- (c) disclosure by us on decisions on matters reviewed by the independent non-executive Directors relating to the compliance and enforcement of the deed of non-competition in our annual report; and
- (d) the Covenantors making an annual statement on compliance with the deed of non-competition in our annual report, including the disclosure on how the deed of non-competition was complied with and enforced, which is consistent with the principles of making voluntary disclosure in the corporate governance report of the annual report.

### **INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS**

Having considered the matters described above and the following factors, our Directors believe that we can carry on our business independent of and without financial reliance on our Controlling Shareholders (and the associates of our Controlling Shareholders) following the Listing, and that we satisfy the relevant requirements under the Listing Rules.

#### **Management independence**

Our Board consists of seven Directors, comprising four executive Directors and three independent non-executive Directors. Three of our executive Directors are our Controlling Shareholders.

Each of our Directors is fully aware of his fiduciary duties as a Director which requires, amongst other things, that he acts for the benefit and in our best interests and does not allow any conflict between his duties as a Director and his personal interest to exist. In the event that

---

## CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

---

there is a potential conflict of interests arising out of any transaction to be entered into between us and our Directors or their respective associates, the interested Director(s) will abstain from voting at the relevant meeting of our Board in respect of such transactions and shall not be counted in the quorum.

In addition, members of our senior management are also independent from our Controlling Shareholders and their respective associates.

### **Operational independence**

Our operations are independent of and not connected with any of our Controlling Shareholders. Our organisation structure is made of various departments and divisions, each with specific areas of responsibility. Our management team is also independent from our Controlling Shareholders.

### **Financial independence**

We have an independent financial system and make financial decisions according to our own business needs. Our Directors confirm that as of the Latest Practicable Date, save as disclosed in the paragraphs under “Financial Information — Indebtedness — Borrowing” in this prospectus, our Controlling Shareholders have not provided any guarantee or loan to us. Our Directors confirm that any amount due to/from our Controlling Shareholders and any guarantee provided by our Controlling Shareholders will be settled or released prior to the Listing. On this basis, our Directors believe that we are financially independent from our Controlling Shareholders.

### **NON-DISPOSAL UNDERTAKINGS GIVEN BY OUR CONTROLLING SHAREHOLDERS**

Pursuant to Rule 10.08 of the Listing Rules, each of our Controlling Shareholders has, jointly and severally, undertaken with our Company and the Stock Exchange that each of them shall not and shall procure that the relevant registered holder(s) shall not:—

- (a) in the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date (the “**First Six-Month Period**”), save for the transaction contemplated under the Stock Borrowing Agreement, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our Shares in respect of which it/he/she is shown by this prospectus to be the beneficial owner(s); and
- (b) in the period of six months commencing on the date on which the First Six-Month Period expires (the “**Second Six-Month Period**”), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our Shares if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, our Controlling Shareholders would cease to be our Controlling Shareholders of our Company, i.e. they cease to control 30% or more of the voting power at general meetings of our Company.

---

## **CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS**

---

Further, each of our Controlling Shareholders has, jointly and severally, undertaken with our Company and the Stock Exchange that within a period commencing from the Listing Date and ending on the date on which is the first anniversary of the Listing Date, he or she or it shall:—

- (a) when he or she or it pledges or charges any securities beneficially owned by him or her or it in favour of an authorised institution (as defined under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan, immediately inform our Company of such pledge or charge together with the number of securities so pledged or charged; and
- (b) when he or she or it receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged securities will be disposed of, immediately inform our Company of such indications.

### **OUR SUBSTANTIAL SHAREHOLDERS**

So far as our Directors are aware, immediately following completion of the Capitalisation Issue and the Global Offering (without taking into consideration our Shares which may be taken up under the Global Offering and our Shares which may be issued pursuant to the exercise of the Over-allotment Option and any option which may be granted under the Share Option Scheme), except for our Controlling Shareholders, and the Trustee, our Company has no other Substantial Shareholders.

Further information on the interests of our Substantial Shareholders is set forth in the section headed “Further Information About our Directors and Substantial Shareholders” in Appendix VI to this prospectus.