

FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES**1. Information of our Company**

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 19 May 2016. Its registered address is at PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands.

As our Company is incorporated in the Cayman Islands, we are subject to the relevant law of the Cayman Islands and our constitution which comprises the Memorandum of Association and Articles of Association. A summary of the relevant aspects of the Cayman Islands Companies Law and certain provisions of our constitution are set out in Appendix III to this prospectus.

2. Changes in share capital of our Company

- (a) On 19 May 2016, our Company was incorporated under the laws of the Cayman Islands with limited liability, with an authorised capital of HK\$100,000,000 divided into 10,000,000,000 Shares. On 19 May 2016, one subscriber's Share, credited as fully paid, was allotted and issued at par value to the subscriber Reid Services Limited, an Independent Third Party, which was immediately transferred to Mr. Kester Ng at the consideration of HK\$0.01 on the same day. As a result, our Company is owned as to 100% by Mr. Kester Ng.
- (b) On 15 July 2016, Aplus as purchaser acquired from Mr. Kester Ng as vendor all of his one Share, representing 100% of all the issued Share, for a cash consideration of HK\$1.00. Following this transfer, our Company becomes a wholly-owned subsidiary of Aplus.
- (c) On 19 July 2016, our Company acquired from Aplus and Phoenix Year all of the seven shares and three shares owned by them respectively in BCI Group (BVI) representing in aggregate 100% of all the issued shares in BCI Group (BVI), in consideration of and exchange for which our Company allotted and issued 6,191 and 2,653 new Shares at par value, credited as fully paid, to Aplus and Phoenix Year respectively. Our Company is as a result owned as to approximately 70% (6,192 Shares) by Aplus and as to approximately 30% (2,653 Shares) by Phoenix Year.
- (d) On 20 July 2016, our Company directed its nominee BCI Group (HK) to acquire from Etchers Entertainment and Jet Top all of the 600 shares (300 Class A ordinary shares and 300 Class B non-voting shares) and 780 shares (390 Class A ordinary shares and 390 Class B non-voting shares) owned by them respectively in Group Best (BVI) representing in aggregate 13.8% of all the issued shares in Group Best (BVI), in consideration of and exchange for which our Company allotted and issued 133 and 172 Shares at par value, credited as fully paid, to Etchers Entertainment and Jet Top respectively. Our Company is as a result owned as to approximately 67.67% (6,192 Shares) by Aplus, approximately 29% (2,653 Shares) by Phoenix Year, approximately 1.45% (133 Shares) by Etchers Entertainment and approximately 1.88% (172 Shares) by Jet Top.
- (e) On 22 July 2016, Perfect King and Jubilee Success subscribed for 250 and 600 new Shares representing 2.5% and 6% of the enlarged issued share capital of our Company at the subscription price of HK\$1,500,000 and HK\$3,600,000 respectively. Following completion of these pre-IPO investments, our Company is owned as to 61.92% (6,192 Shares) by Aplus, 26.53% (2,653 Shares) by Phoenix Year, 1.33% (133 Shares) by Etchers Entertainment, 1.72% (172 Shares) by Jet Top, 2.5% (250 Shares) by Perfect King and 6% (600 Shares) by Jubilee Success.
- (f) Immediately prior to completion of the Share Offer, a total of 599,990,000 Shares will be allotted and issued to Aplus, Phoenix Year, Etchers Entertainment, Jet Top, Perfect King and Jubilee Success under the Capitalisation Issue, details of which are also set out in paragraph 3(b)(iii) below.
- (g) Immediately following completion of the Capitalisation Issue and the Share Offer, 800,000,000 Shares will be issued fully paid or credited as fully paid. Our Directors do not have any present

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

Save as disclosed herein and in paragraphs 3 and 4 below, there has been no alteration in the share capital of our Company since its incorporation.

3. Resolutions in writing of the Shareholders passed on 14 March 2017

On 14 March 2017, pursuant to resolutions in writing passed by all the Shareholders:

- (a) the Memorandum of Association was adopted with immediate effect;
- (b) the Articles of Association were conditionally adopted with effect from Listing;
- (c) conditional on the Stock Exchange granting the listing of, and permission to deal in, the Offer Shares in issue and to be issued as mentioned in this prospectus on GEM and on the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise, in each case on or before the day falling 30 days after the date of this prospectus:
 - (i) the Share Offer was approved and our Directors were authorised to approve the allotment and issue of the new Offer Shares;
 - (ii) the rules of the Share Option Scheme were approved and adopted and the Directors or any such committee thereof were authorised to approve any amendments to the rules of the Share Option Scheme as may be acceptable or not objected to by the Stock Exchange, and at their absolute discretion to grant options to subscribe for the Shares thereunder, to allot, issue and deal with the Shares pursuant to the exercise of options granted under the Share Option Scheme and to take all such steps as may be necessary or desirable to implement the Share Option Scheme;
 - (iii) conditional on the share premium account being credited as a result of the Share Offer, our Directors were authorised to capitalise HK\$5,999,900 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 599,990,000 Shares for allotment and issue to Shareholder(s) whose name(s) appear(s) on the register of members of our Company at the close of business on 14 March 2017 (or as it/they may direct) in proportion (as nearly as possible without involving fractions) to its/their then existing shareholdings in our Company and so that the Shares to be allotted and issued pursuant to this resolution shall rank pari passu in all respects with the then existing issued Shares (other than the right to participate in the Capitalisation Issue) and our Directors be and they are thereby authorised to give effect to such capitalisation;
 - (iv) a general unconditional mandate was given to our Directors to allot, issue and deal with, otherwise than by way of rights issue, scrip dividend schemes or similar arrangements in accordance with the Articles of Association, or pursuant to the exercise of any options which may be granted under the Share Option Scheme, or under the Capitalisation Issue or the Share Offer, Shares with an aggregate number of not exceeding the sum of (aa) 20% of the aggregate number of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the Share Offer but excluding any Shares which may be issued pursuant to the exercise of options that may be granted under the Share Option Scheme, and (bb) the aggregate number of the share capital of our Company which may be purchased by our Company pursuant to the authority granted to our Directors as referred to in subparagraph (v) below, until the conclusion of the next annual general meeting of our Company, or the date by which the next annual general meeting of our Company is required by the Articles of Association, the Companies Law or any applicable laws of the Cayman Islands to be held, or the passing of an ordinary resolution by the Shareholders revoking or varying the authority given to our Directors, whichever occurs first (the “Applicable Period”);

- (v) a general unconditional mandate (the “**Repurchase Mandate**”) was given to our Directors to exercise all powers of our Company to purchase Shares with an aggregate number of not exceeding 10% of the aggregate number of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the Share Offer but excluding any Shares which may be issued pursuant to the exercise of options that may be granted under the Share Option Scheme until expiry of the Applicable Period; and
- (vi) the extension of the general mandate to allot, issue and deal with Shares to include the number of Shares which may be purchased or repurchased pursuant to subparagraph (v) above.

4. Corporate reorganisation

Our Group underwent the Reorganisation to rationalise our Group’s structure in preparation for the Listing and our Company becomes the holding company of our Group. For further details, see “History, Reorganisation and Corporate Structure”.

5. Particulars of our subsidiaries

Our Group comprises our Company and 14 subsidiaries. For a summary of the corporate information of these companies, see “History, Reorganisation and Corporate Structure” and the Accountant’s Report.

6. Changes in share capital of the subsidiaries of our Company

Save as disclosed in “History, Reorganisation and Corporate Structure”, there has been no alteration in the share capital of the subsidiaries of our Company within the two years immediately preceding the date of this prospectus.

7. Repurchase by our Company of our own securities

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

(a) 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, either by way of general mandate or by specific approval of a particular transaction.

(b) Source of funds

Repurchases must be paid out of funds legally available for the purpose in accordance with the Articles, the GEM Listing Rules and the Companies Law. 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 trading rules of the Stock Exchange.

Under the laws of the Cayman Islands, any repurchases by our Company may be made either (1) out of profits of our Company; (2) out of the share premium account of our Company; (3) out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase; or (4) out of capital, if so authorised by the Articles and subject to the provisions of the Companies Law; and in the case of any premium payable on the repurchase, (1) out of the profits of our Company; (2) from sums standing to the credit of the share premium account of our Company; or (3) out of capital, if so authorised by the Articles and subject to the provisions of the Companies Law.

On the basis of our current financial position as disclosed in this prospectus and taking into account our current working capital position, our Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on our working capital and/or gearing position as compared with the position disclosed in this prospectus. However, our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or gearing levels which in the opinion of our Directors are from time to time appropriate for our Group.

The exercise in full of the Repurchase Mandate, on the basis of 800,000,000 Shares in issue immediately after the Listing, would result in up to 80,000,000 Shares being repurchased by us during the period in which the Repurchase Mandate remains in force.

(c) *Reasons for repurchases*

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

(d) *General*

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 GEM Listing Rules and the applicable laws of the Cayman Islands.

If, as a result of a securities repurchase, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert 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.

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

8. Registration under the Companies Ordinance

Our Company is a registered non-Hong Kong company as defined under Part 16 of the Companies Ordinance with a principal place of business in Hong Kong at Unit B, 24th Floor, Wyndham Place, 44 Wyndham Street, Central, Hong Kong. Mr. Kester Ng, the executive Director of our Company, who resides at 11/F Interocan Court, 26 Peak Road, The Peak, Hong Kong, has been appointed as the authorised representative of our Company for the acceptance of service of process on behalf of our Company in Hong Kong.

FURTHER INFORMATION ABOUT THE BUSINESS OF OUR GROUP

9. 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 prospectus and are or may be material:

- (a) share swap deed dated 19 July 2016 entered into between Aplus and Phoenix Year as vendors and our Company as purchaser, pursuant to which our Company acquired from Aplus and Phoenix Year all of the seven shares and three shares owned by them respectively in BCI Group (BVI) representing in aggregate 100% of all the issued shares in BCI Group (BVI), in consideration of and exchange for which our Company allotted and issued 6,191 and 2,653 new Shares at par value, credited as fully paid, to Aplus and Phoenix Year respectively;
- (b) share swap deed dated 20 July 2016 entered into between Etchers Entertainment and Jet Top as vendors and our Company as purchaser, pursuant to which BCI Group (HK) (as our Company's nominee) acquired from Etchers Entertainment and Jet Top all of the 600 shares (300 Class A ordinary shares and 300 Class B non-voting shares) and 780 shares (390 Class A ordinary shares and 390 Class B non-voting shares) owned by them respectively in Group Best (BVI) representing in aggregate 13.8% of all the issued shares in Group Best (BVI), in consideration of and exchange for which our Company allotted and issued 133 and 172 new Shares at par value, credited as fully paid, to Etchers Entertainment and Jet Top respectively;
- (c) Subscription Agreement (Perfect King);
- (d) Subscription Agreement (Jubilee Success);
- (e) agreement dated 4 June 2014 (the "**Collaboration Agreement**") entered into between Food Lab Concept Limited ("**FLC**"), Mr. Satoru Mukogawa, BCI Group (HK) and City Silver (the "**Parties**"), pursuant to which the Parties have agreed amongst other things to collaborate in relation to opening of restaurants;
- (f) settlement deed dated 31 August 2016 entered into between the Parties, pursuant to which, (i) the Collaboration Agreement shall be terminated with immediate effect; (ii) City Silver shall procure that two new shares in City Silver be allotted and issued to FLC in consideration of the sum of HK\$625,000 paid by Mr. Satoru Mukogawa on behalf of FLC to City Silver; and (iii) FLC and Mr. Satoru Mukogawa shall continue to provide strategic advice to our Group in connection with the continuous development of the "Tiger Curry" brand;
- (g) the Deed of Non-competition;
- (h) the Deed of Indemnity; and
- (i) the Public Offer Underwriting Agreement.

10. Intellectual property rights of our Group

Trademarks

As at the Latest Practicable Date, our Group had registered the following trademarks which are material to our business:

| No. | Trademark | Registered owner | Place of registration | Class | Registration number | Expiry date |
|-----|---|------------------|-----------------------|-----------------------------|---------------------|------------------|
| 1. |  | Litton Global | Hong Kong | 41, 43 ^(1 and 2) | 302902284 | 20 February 2024 |
| 2. |  | Litton Global | Hong Kong | 41, 43 ^(1 and 2) | 302902275 | 20 February 2024 |
| |  | | | | | |
| 3. |  | Litton Global | Hong Kong | 41, 43 ^(5 and 6) | 303738718 | 10 April 2026 |
| 4. |  | City Silver | Hong Kong | 41, 43 ^(3 and 4) | 302992906 | 11 May 2024 |
| |  | | | | | |
| |  | | | | | |
| 5. |  | City Silver | Hong Kong | 43 ⁽⁷⁾ | 303788155 | 25 May 2026 |
| |  | | | | | |
| 6. |  | City Silver | Hong Kong | 43 ⁽⁷⁾ | 303788164 | 25 May 2026 |
| |  | | | | | |
| 7. |  | City Silver | Macau | 41 ⁽³⁾ | N/093221 | 12 May 2022 |
| 8. |  | City Silver | Macau | 43 ⁽⁴⁾ | N/093222 | 12 May 2022 |
| 9. |  | City Silver | Macau | 41 ⁽³⁾ | N/093223 | 12 May 2022 |
| 10. |  | City Silver | Macau | 43 ⁽⁴⁾ | N/093224 | 12 May 2022 |

Notes:

1. The services cover club entertainment services, entertainment club services, night club services (entertainment), provision of club services, social club services for entertainment purposes, cabarets and discotheques, club (discotheque) services, discotheque services, discotheques, entertainment services provided at discotheques, operating of a discotheque, entertainment services provided at nightclubs, night-club services, night club services, night club services (entertainment), night clubs and nightclub services.
2. The services cover bar services, bars, provision of information relating to bars, restaurant services incorporating licensed bar facilities, wine bar services, wine bars, catering (food and drink), catering for the provision of food and beverages, catering for the provision of food and drink; catering of food and drinks, catering services, catering services for the provision of food, catering services for the provision of food and drink; food and drink catering, cafe services, cafes, cafeteria services, cafeterias, catering in fast-food cafeterias, self-service cafeteria services, delicatessens (restaurants), fast food restaurant services, fast-food restaurant services, fast-food restaurants, provision of food and drink in restaurants; restaurant services, restaurant services for the provision of fast food, restaurant service incorporating licensed bar facilities, restaurants, restaurants (self-services), self-services restaurant services, self service restaurants, self-services restaurants and night club services (provision of food).
3. The services cover entertainment, entertainer services, club services (entertainment), nightclubs.
4. The services cover services for providing food and drink, food and drink catering, cafes, cafeterias, canteens, restaurants, self-service restaurants, snack-bars and bar services.
5. The services cover club services (entertainment), disc jockey services, discotheque services, entertainer services, night clubs, party planning (entertainment), presentation of live performances.
6. The services cover bar services, food and drink catering, restaurants, self-service restaurants, snack bars.
7. The service cover bar services, cafes, cafeterias, restaurants, self-service restaurants, services for providing food and drink, snack bars.

Domain names

As at the Latest Practicable Date, our Group was the registrant of the following domain names:

| No. | Domain name | Registrant | Registration date | Expiry date |
|------------|--------------------|-------------------|--------------------------|--------------------|
| 1. | bcigroup.com.hk | BCI Group (HK) | 4 May 2016 | 4 May 2017 |
| 2. | bcigroup.asia | BCI Group (HK) | 4 May 2016 | 4 May 2017 |
| 3. | bci-group.com | BCI Group (HK) | 9 July 2015 | 9 July 2017 |
| 4. | volar.com.hk | Group Best (HK) | 4 August 2004 | 7 August 2019 |
| 5. | clubfly.com.hk | Grand Diamond | 22 November 2010 | 22 November 2017 |
| 6. | tigercurry.net | City Silver | 9 April 2014 | 9 April 2018 |
| 7. | tigercurry.org | City Silver | 9 April 2014 | 9 April 2018 |
| 8. | tigercurry.hk | City Silver | 7 May 2014 | 7 May 2017 |
| 9. | tigercurry.com.hk | City Silver | 7 May 2014 | 8 May 2017 |
| 10. | tigercurry.cc | City Silver | 8 April 2014 | 9 April 2018 |
| 11. | tigercurry.com | City Silver | 9 April 2014 | 9 April 2021 |

FURTHER INFORMATION ABOUT DIRECTORS, MANAGEMENT AND STAFF AND EXPERTS

11. Directors

(a) Disclosure of interests

- (i) Our executive Directors are interested in the Reorganisation. See “History, Reorganisation and Corporate Structure” in this prospectus.
- (ii) Save as disclosed in this prospectus, none of our Directors or their associates was engaged in any dealings with our Group during the two years preceding the date of this prospectus.

(b) Particulars of service contracts and letters of appointment

Each of our executive Directors has entered into a service contract with our Company pursuant to which each of them agreed to act as an executive Director for an initial term of three years commencing from the Listing Date.

Each of our executive Directors is entitled to a basic salary subject to an annual review by the remuneration committee of the Board during the term. In addition, each of our executive Directors is also entitled to a discretionary management bonus provided that the aggregate amount of the bonuses payable to all our executive Directors for any financial year of our Company may not exceed 5% of the audited consolidated audited net profit of our Group (after taxation and minority interests but before extraordinary and exceptional items) in respect of that financial year. An executive Director may not vote on any resolution of our Directors regarding the amount of the management bonus payable to him. The annual salaries of our executive Directors provided under the service contracts are as follows:

| <u>Name</u> | <u>Annual salary</u> (HK\$) |
|------------------|--------------------------------|
| Mr. Kester Ng | 576,000 |
| Ms. Lau Sze Yuen | 444,000 |

Each of the non-executive Director and independent non-executive Directors has entered into a letter of appointment with our Company for an initial term of three years commencing from the Listing Date with the following annual salaries:

| <u>Name</u> | <u>Annual salary</u> (HK\$) |
|---|--------------------------------|
| <i>Non-executive Director</i> | |
| Mr. Kan Sze Man | 240,000 |
| <i>Independent non-executive Director</i> | |
| Mr. Wong Sui Chi | 120,000 |
| Mr. Li Lap Sun | 120,000 |
| Mr. Ng Kwok Kei Sammy | 120,000 |

Save for directors’ fees, none of the independent non-executive Directors is expected to receive any other remuneration for holding their office as an independent non-executive Director.

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

(c) Directors' remuneration

- (i) During the year ended 31 May 2016, the aggregate remuneration paid by our Group to our Directors was approximately HK\$240,000.
- (ii) Under the arrangements currently in force, the aggregate remuneration (excluding any discretionary bonuses) payable by our Group to our Directors for the year ending 31 May 2017 is estimated to be approximately HK\$859,000.
- (iii) None of our Directors or any past directors of any member of our Group has been paid any sum of money during the Track Record Period as (i) an inducement to join or upon joining our Company; or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.
- (iv) There has been no arrangement under which a Director has waived or agreed to waive any remuneration during the Track Record Period.

(d) Interests and short positions of Directors and chief executive in the shares, underlying shares or debentures of our Company and our associated corporations

Immediately following the completion of the Capitalisation Issue and the Share Offer (but without taking into account any Shares which may be allotted and issued pursuant to the exercise of options that may be granted under the Share Option Scheme), the interests and short positions of our Directors and chief executive of our Company in the shares, underlying shares or debentures of our Company and our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO to be entered in the register referred to therein, or which will be required to notify our Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, will be as follows:

| <u>Name</u> | <u>Nature of interest</u> | <u>Number of Shares ⁽¹⁾</u> | <u>Percentage of shareholding in our Company</u> |
|---------------|---|--|--|
| Mr. Kester Ng | Interest in a controlled corporation ⁽²⁾ | 371,520,000 ^(L) | 46.44% |

Notes:

1. The letter "L" denotes the long position in the Shares.
2. Mr. Kester Ng beneficially owns 100% of the issued share capital of Aplus. By virtue of the SFO, Mr. Kester Ng is deemed to be interested in 371,520,000 Shares held by Aplus.

12. Interest discloseable under the SFO and substantial shareholders

So far as is known to our Directors and chief executive of our Company, immediately following the completion of the Capitalisation Issue and the Share Offer (but without taking account any Shares which may be taken up under the Share Offer and any Shares which may be allotted and issued pursuant to the exercise of options that may be granted under the Share Option Scheme), the following persons (other than our Directors or chief executive officer of our Company) will have an interest or short position in the Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who will be expected, directly or indirectly, to be interested in 10% or more of the voting power in all circumstances at general meetings of any member of our Group.

| <u>Name</u> | <u>Nature of interest</u> | <u>Number of Shares⁽⁶⁾</u> | <u>Percentage of shareholding in our Company</u> |
|-------------------------|---|---------------------------------------|--|
| Aplus | Beneficial owner ⁽¹⁾ | 371,520,000 ^(L) | 46.44% |
| Ms. Louey Andrea Alice | Interest of spouse ⁽²⁾ | 371,520,000 ^(L) | 46.44% |
| Phoenix Year | Beneficial owner ⁽³⁾ | 159,180,000 ^(L) | 19.90% |
| CSI Properties | Interest in a controlled corporation ⁽⁴⁾ | 159,180,000 ^(L) | 19.90% |
| Mr. Chung Cho Yee Mico | Interest of controlled corporation ⁽⁵⁾ | 159,180,000 ^(L) | 19.90% |
| Digisino Assets Limited | Interest of controlled corporation ⁽⁵⁾ | 159,180,000 ^(L) | 19.90% |
| Earnest Equity Limited | Interest of controlled corporation ⁽⁵⁾ | 159,180,000 ^(L) | 19.90% |

Notes:

1. The entire issued share capital of Aplus is wholly-owned by Mr. Kester Ng.
2. Ms. Louey Andrea Alice is the spouse of Mr. Kester Ng. By virtue of the SFO, Ms. Louey Andrea Alice is deemed to be interested in the same number of Shares in which Mr. Kester Ng is deemed to be interested under the SFO.
3. The entire issued share capital of Phoenix Year is wholly-owned by CSI Properties.
4. CSI Properties is deemed to be interested in the same number of Shares held by Phoenix Year under the SFO.
5. Mr. Chung Cho Yee Mico (“**Mr. Chung**”) owns the entire interest of Digisino Assets Limited (“**Digisino**”) which in turn owns the entire interest in Earnest Equity Limited (“**Earnest Equity**”). Earnest Equity and Mr. Chung own approximately 45.91% and 0.03% of the entire issued shares capital of CSI Properties respectively. Therefore, Mr. Chung, Digisino and Earnest Equity are deemed to be interested in the same number of Shares held by CSI Properties under SFO.
6. The letter “L” denotes the long position in the Shares.

13. Related party transactions

Save as disclosed in note 27 of the Accountant’s Report, during the two years immediately preceding the date of this prospectus, our Group has not engaged in any other material related party transactions.

14. Disclaimers

- (a) Taking no account of any Shares which may be taken up or acquired under the Share Offer or any Shares which may be allotted and issued pursuant to the exercise of options granted or which may be

granted under the Share Option Scheme, our Directors are not aware of any person who, save as disclosed in paragraph 12 in this appendix, will, immediately following the completion of the Capitalisation Issue and the Share Offer, have an interest or a short position in Shares or underlying shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who will, directly or indirectly, be interested in 10% or more of the voting power in all circumstances at general meetings of our Company or any other member of our Group.

- (b) Save as disclosed in paragraph 11(d) in this appendix, none of our Directors has for the purpose of Divisions 7 and 8 of Part XV of the SFO or the GEM Listing Rules, nor is any of them taken to or deemed to have under such provisions of the SFO, any interests or short position in the Shares or underlying shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) or any interests which will have to be entered in the register to be kept by our Company pursuant to section 352 of the SFO or which will be required to be notified to our Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, once the Shares are listed on GEM.
- (c) None of our Directors nor the experts named in paragraph 21 of this appendix has been interested in the promotion of, or has any direct or indirect interest in any assets acquired or disposed of by or leased to or by, any member of our Group within the two years immediately preceding the date of this prospectus, or which are proposed to be acquired or disposed of by or leased to or by any member of our Group nor will any Director apply for the Offer Shares either in his own name or in the name of a nominee.
- (d) Save in connection with the material contracts referred to in paragraph 9 of this appendix and the service contracts and letters of appointments referred to in paragraph 11(b) of this appendix, none of our Directors nor the experts named in paragraph 21 of this appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole.
- (e) None of the experts named in paragraph 21 in this appendix has any shareholding in any member in our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member in our Group.

OTHER INFORMATION

15. Share option scheme

(a) *Summary of terms*

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by a resolution in writing passed by our Shareholders on 14 March 2017:

(i) *Purpose of the scheme*

The purpose of the Share Option Scheme is to enable our Group to grant options to selected participants as incentives or rewards for their contribution to our Group.

(ii) *Who may join*

Our Directors (which expression shall, for the purpose of this paragraph 15, include a duly authorised committee thereof) may, at their absolute discretion, invite any person belonging to any of

the following classes of participants (“**Eligible Participants**”), to take up options to subscribe for Shares:

- (aa) any employee (whether full-time or part-time, including any executive director but excluding any non-executive director and independent non-executive director) of our Company, any of our subsidiaries (“**Subsidiaries**”) or any entity (“**Invested Entity**”) in which our Group holds an equity interest (“**Eligible Employee**”);
- (bb) any non-executive director (including independent non-executive director) of our Company, any Subsidiary or any Invested Entity;
- (cc) any supplier of goods or services to any member of our Group or any Invested Entity;
- (dd) any customer of any member of our Group or any Invested Entity;
- (ee) any person or entity that provides research, development or other technological support to any member of our Group or any Invested Entity;
- (ff) any shareholder of any member of our Group or any Invested Entity or any holder of any securities issued by any member of our Group or any Invested Entity;
- (gg) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of our Group or any Invested Entity; and
- (hh) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of our Group,

and, for the purposes of the Share Option Scheme, the options may be granted to any company wholly owned by one or more Eligible Participants. For the avoidance of doubt, the grant of any options by our Company for the subscription of Shares or other securities of our Group to any person who falls within any of the above classes of Eligible Participants shall not, by itself, unless our Directors otherwise determined, be construed as a grant of option under the Share Option Scheme.

The eligibility of any of the Eligible Participants to the grant of options shall be determined by our Directors from time to time on the basis of our Directors’ opinion as to his contribution to the development and growth of our Group.

(iii) *Maximum number of Shares*

- (aa) The maximum number of Shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by our Group shall not exceed 30% of the Shares in issue from time to time.
- (bb) The total number of Shares which may be allotted and issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of our Group) to be granted under the Share Option Scheme and any other share option scheme of our Group must not in aggregate exceed 10% of the Shares in issue on the day on which dealings in the

Shares first commence on the Stock Exchange (i.e. not exceeding 80,000,000 Shares) (the “**General Scheme Limit**”), provided that:

- (aaa) Subject to paragraph (aa) above and without prejudice to paragraph (bbb) below, our Company may issue a circular to its Shareholders and seek approval of its Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of our Group must not exceed 10% of the Shares in issue as at the date of approval of the limit, and for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme of our Group) previously granted under the Share Option Scheme and any other share option scheme of our Group will not be counted. The circular sent by our Company to its Shareholders shall contain, among other information, the information required under Rule 23.02(2)(d) of the GEM Listing Rules and the disclaimer required under Rule 23.02(4) of the GEM Listing Rules.
- (bbb) Subject to paragraph (aa) above and without prejudice to paragraph (aaa) above, our Company may seek separate Shareholders’ approval in general meeting to grant options beyond the General Scheme Limit or, if applicable, the refreshed limit referred to in paragraph (aaa) above to Eligible Participants specifically identified by our Company before such approval is sought. In such event, our Company must send a circular to its Shareholders containing a generic description of the specified participants, the number and terms of options to be granted, the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose and such other information required under Rule 23.02(2)(d) of the GEM Listing Rules and the disclaimer required under Rule 23.02(4) of the GEM Listing Rules.

(iv) *Maximum entitlement of each participant*

Subject to paragraph (v)(bb) below, the total number of Shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of our Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the Shares in issue from time to time (“**Individual Limit**”). Where any further grant of options to a grantee under the Share Option Scheme would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) under the Share Option Scheme and any other share option schemes of our Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1 per cent. of the Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such grantee and his close associates (or his associates if the grantee is a connected person) abstaining from voting. Our Company must send a circular to the Shareholders and the circular must disclose the identity of the grantee, the number and terms of the options to be granted (and options previously granted to such grantee), the information required under Rule 23.02(2)(d) of the GEM Listing Rules and the disclaimer required under Rule 23.02(4) of the GEM Listing Rules. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before Shareholders’ approval and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 23.03(9) of the GEM Listing Rules.

(v) *Grant of options to connected persons*

- (aa) Without prejudice to paragraph (bb) below, any grant of options under the Share Option Scheme to a Director, chief executive or substantial shareholder of our Company or any

of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed grantee of the option).

(bb) Without prejudice to paragraph (aa) above, where any grant of options to a substantial shareholder or an independent non-executive Director of our 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 (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 Shares at the date of each grant, in excess of HK\$5 million;

such further grant of options must be approved by the Shareholders in general meeting. Our Company must send a circular to the Shareholders. The grantee, his associates and all core connected persons of our Company must abstain from voting in favour at such general meeting. Any change in the terms of options granted to a substantial shareholder or an independent non-executive Director of our Company or any of their respective associates must be approved by the Shareholders in general meeting.

(vi) Time of acceptance and exercise of option

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by our Directors to each grantee, which period may commence on the date on which the offer for the grant of option is made but shall end in any event not later than 10 years from the date on which the offer for the grant of option is made subject to the provisions for early termination thereof. Unless otherwise determined by our Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

(vii) Performance targets

Unless our Directors otherwise determined and stated in the offer of the grant of options to a grantee, a grantee is not required to achieve any performance targets before any options granted under the Share Option Scheme can be exercised.

(viii) Subscription price for Shares and consideration for the option

The subscription price per Share under the Share Option Scheme shall be determined at the absolute discretion of our Directors, provided that it shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date on which the offer for the grant of option is made, which must be a Business Day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations for the five Business Days immediately preceding the date on which the offer for the grant of option is made; and (iii) the nominal value of the Shares.

A nominal consideration of HK\$1.00 is payable on acceptance of the grant of an option.

(ix) *Ranking of Shares*

- (aa) Shares to be allotted and issued upon the exercise of an option will be subject to all the provisions of the Articles of Association and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and will entitle the holders thereof to participate in all dividends or other distributions paid or made after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be on or before the date of allotment. A Share allotted and issued upon the exercise of an option shall not carry voting rights until the completion of the registration of the grantee on the register of members of our Company as the holder thereof.
- (bb) Unless the context otherwise requires, references to “Shares” in this paragraph include references to shares in the ordinary share capital of our Company of such nominal amount as shall result from a sub-division, consolidation, re-classification, reduction or re-construction of the share capital of our Company from time to time.

(x) *Restrictions on the time of grant of options*

Our Company may not make any offer for grant of options after inside information has come to our knowledge until our Company has announced the information. In particular, our Company may not make any offer during the period commencing one month immediately before the earlier of (aa) the date of the meeting of the Board (as such date is first notified to the Stock Exchange under the GEM Listing Rules) for approving our Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the GEM Listing Rules); and (bb) the deadline for our Company to announce our results for any year or half-year under the GEM Listing Rules, or quarterly or any other interim period (whether or not required under the GEM Listing Rules), and ending on the date of the results announcement.

Our Directors may not make any offer to an Eligible Participant who is a Director during the periods or times in which Directors are prohibited from dealing in shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the GEM Listing Rules or any corresponding code or securities dealing restrictions adopted by our Company.

(xi) *Period of the Share Option Scheme*

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted.

(xii) *Rights on ceasing employment*

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than death, ill-health or retirement in accordance with his contract of employment or for serious misconduct or other grounds referred to in sub-paragraph (xiv) below before exercising his option in full, the option (to the extent not already exercised) shall lapse on the date of cessation and will not be exercisable unless our Directors otherwise determine in which event the grantee may exercise the option (to the extent not already exercised) in whole or in part within such period as our Directors may determine following the date of such cessation, which will be taken to be the last actual working day of which the grantee was at work with our Company, the relevant Subsidiary or the Invested Entity whether salary is paid in lieu of notice or not.

(xiii) *Rights on death, ill-health or retirement*

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before

exercising the option in full, his personal representative(s) or, as appropriate, the grantee may exercise the option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation which date shall be the last day on which the grantee was at work with our Company, the relevant Subsidiary or the Invested Entity whether salary is paid in lieu of notice or not or such longer period as our Directors may determine.

(xiv) Rights on dismissal

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee by reason that he has been guilty of persistent and serious misconduct or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of our Directors does not bring the grantee or our Group or the Invested Entity into disrepute), his option will lapse automatically and will not in any event be exercisable on or after the date of cessation to be an Eligible Employee.

(xv) Rights on breach of contract

If our Directors shall at their absolute discretion determine that (aa) the grantee of any option (other than an Eligible Employee) or his close associates (or his associates if the grantee is a connected person) has committed any breach of any contract entered into between the grantee or his close associate on the one part and our Group or any Invested Entity on the other part; or (bb) that the grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (cc) the grantee could no longer make any contribution to the growth and development of our Group by reason of the cessation of its relations with our Group or by other reason whatsoever, then the option granted to the grantee under the Share Option scheme shall lapse as a result of any event specified in sub-paragraph (aa), (bb) or (cc) above.

(xvi) Rights on a general offer, a compromise or arrangement

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, our Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, the Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, a grantee shall be entitled to exercise his option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to our Company at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under such scheme of arrangement, as the case may be. Subject to the above, an option will lapse automatically (to the extent not exercised) on the date on which such offer (or, as the case may be, revised offer) closes or the relevant record date for entitlements under the scheme of arrangement, as the case may be.

(xvii) Rights on winding up

In the event a notice is given by our Company to the Shareholders to convene a Shareholders' meeting for the purpose of considering, and if thought fit, approving a resolution for the voluntary winding-up of our Company during the option period, our Company shall forthwith give notice thereof to the grantee and the grantee may, subject to the provisions of all applicable laws, by notice in writing to our Company at any time not less than two Business Days prior to the proposed Shareholders' meeting, exercise his option (to the extent not already exercised) either to its full

extent or to the extent specified in such notice in accordance with the provisions of the Share Option Scheme and our Company shall allot and issue to the grantee the Shares in respect of which such grantee has exercised his option not less than one Business Day prior to the proposed Shareholders' meeting whereupon the grantee shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of our Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such meeting. Subject thereto, all options then outstanding shall lapse and determine on the commencement of the winding-up of our Company.

(xviii) Grantee being a company wholly owned by Eligible Participants

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

- (i) sub-paragraphs (xii), (xiii), (xiv) and (xv) shall apply to the grantee and to the options to such grantee, *mutatis mutandis*, as if such options had been granted to the relevant Eligible Participant, and such options shall accordingly lapse or fall to be exercisable after the event(s) referred to in sub-paragraphs (xii), (xiii), (xiv) and (xv) shall occur with respect to the relevant Eligible Participant; and
- (ii) the options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly owned by the relevant Eligible Participant provided that our Directors may in their absolute discretion decide that such options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

(xix) Adjustments to the subscription price

In the event of a rights issue, subdivision or consolidation of Shares or reduction of the share capital of our Company or otherwise howsoever but shall not in any event exceed the limits imposed by the GEM Listing Rules whilst an option remains exercisable or the Share Option Scheme remains in effect, such corresponding alterations (if any) certified by the auditors for the time being of or an independent financial adviser to our Company as fair and reasonable will be made to the number or nominal amount of Shares to which the Share Option Scheme or any option relates, the subscription price of any option, and/or (unless the relevant grantee elects to waive such adjustment) the number of Shares consisted in an option or which remains consisted in an option, provided that (i) any adjustment shall give a grantee the same proportion of the issued Share for which he would have been entitled subscribe had he exercised the options held by him immediately prior to such adjustment; (ii) no adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; (iii) the issue of Shares or other securities of our Group as consideration in a transaction shall not be regarded as a circumstance requiring any adjustment; and (iv) any adjustment shall be in compliance with, among others, the GEM Listing Rules. In addition, in respect of any such adjustments, such auditors or independent financial adviser must confirm to our Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the GEM Listing Rules and such other applicable guidance and/or interpretation of the GEM Listing Rules from time to time issued by the Stock Exchange.

(xx) Cancellation of options

Any cancellation of options granted but not exercised must be subject to the consent of the relevant grantee and the approval of our Directors. When our Company cancels any option granted to a grantee but not exercised and issues new option(s) to the same grantee, the issue of such new option(s) may only be made with available unissued options (excluding the options so cancelled) within the General Scheme Limit or the new limits approved by the Shareholders pursuant to sub-paragraphs (iii) (aaa) and (bbb) above.

(xxi) Termination of the Share Option Scheme

Our Company may by resolution in general meeting at any time terminate the Share Option Scheme and in such event no further options shall be offered but in all other respects the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the Share Option Scheme and Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(xxii) Rights are personal to the grantee

An option is personal to the grantee and shall not be transferable or assignable.

(xxiii) Lapse of options

An option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (aa) the expiry of the period referred to in paragraph (vi);
- (bb) the expiry of the periods or dates referred to in paragraph (xii), (xiii), (xiv), (xv), (xvii) and (xviii);
- (cc) the date on which our Directors shall exercise our Company's right to cancel the option by reason of a breach of paragraph (xxii) above by the grantee in respect of that or any other options; and
- (dd) the date of the commencement of winding-up of our Company.

(xxiv) Alternation to the Share Option Scheme and others

- (aa) The Share Option Scheme is conditional, among others, on the Stock Exchange granting the listing of and permission to deal in, such number of Shares to be allotted and issued by our Company pursuant to the exercise of any options which may be granted under the Share Option Scheme, such number being not less than that of the General Scheme Limit.
- (bb) The terms and conditions of the Share Option Scheme relating to the matters set out in Rule 23.03 of the GEM Listing Rules shall not be altered to the advantage of grantees of the options except with the approval of the Shareholders in general meeting.
- (cc) Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature shall be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.
- (dd) The amended terms of the Share Option Scheme or the options shall comply with the relevant requirements of Chapter 23 of the GEM Listing Rules, the "Supplementary Guidance on Main Board Listing Rule 17.03(13)/GEM Listing Rule 23.03(13) and the Note Immediately After the Rule" set out in the letter from the Stock Exchange to all listed issuers dated 5 September 2005 and other relevant guidance of the Stock Exchange.
- (ee) Any change to the authority of our Directors or the scheme administrators in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting.

(b) *Present status of the Share Option Scheme*

(i) *Approval of the Stock Exchange required*

The Share Option Scheme, which complies with Chapter 23 of the GEM Listing Rules, is conditional on, among others, the Stock Exchange granting approval (whether subject to conditions or not) of the Share Option Scheme and any options which may be granted thereunder, and the listing of, and permission to deal in, such number of Shares to be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, such number being not less than that of the General Scheme Limit.

(ii) *Application for approval*

Application has been made to the Stock Exchange for the listing of and permission to deal in the Shares to be allotted and issued within the General Scheme Limit pursuant to the exercise of any options which may be granted under the Share Option Scheme.

(iii) *Grant of option*

As at the date of this prospectus, no options have been granted or agreed to be granted under the Share Option Scheme.

(iv) *Value of options*

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

16. Estate duty, tax and other indemnities

Aplus and Mr. Kester Ng (collectively the “**Indemnifiers**”) have executed the Deed of Indemnity in favour of our Company (for ourselves and as trustee for our subsidiaries).

Pursuant to the Deed of Indemnity, the Indemnifiers have agreed to jointly and severally indemnify each of the members of our Group against the following:

- (a) any liability for Hong Kong estate duty which might be incurred by us by reason of any transfer of property (within the meaning of section 35 of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong)) to us on or before the date on which the Share Offer becomes unconditional (the “**Effective Date**”);
- (b) taxation which might fall on us in respect of any income, profits or gains earned, accrued or received (or deemed to be so earned, accrual or received) on or before the Effective Date, subject to certain exceptions set out below; and
- (c) any liability which might be suffered by us in connection with all the incidents referred to in “**Business — Litigation and compliance.**”

The Indemnifiers will, however, not be liable in respect of any taxation referred to in paragraph (b) above:

- (1) to the extent that provision or reserve has been made for such taxation in the audited consolidated accounts of our Group for the Track Record Period; or

- (2) to the extent that a claim or liability for such taxation falls on us in respect of the accounting period commencing on or after 1 October 2016 unless such taxation would not have arisen but for some act or omission of, or transaction voluntarily effected by the Indemnifiers or us otherwise than in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets, before the Effective Date; or
- (3) to the extent that a claim or liability for such taxation would not have arisen but for a voluntary act or transaction carried out or effected (other than pursuant to a legally binding commitment created on or before the date of the Deed of Indemnity) by us after the date of the Deed of Indemnity; or
- (4) to the extent that a claim or liability for such taxation arises as a consequence of any retrospective change in the law, rules and regulations, or the interpretation or practice thereof by any relevant authority coming into force after the date of the Deed of Indemnity or to the extent that such taxation arises or is increased by an increase in rates of taxation after the date of the Deed of Indemnity with retrospective effect; or
- (5) to the extent of any provision or reserve made for taxation in the audited consolidated accounts of our Group up to 30 September 2016 and which is finally established to be an over-provision or an excessive reserve.

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries under the laws of the Cayman Islands, the BVI and Hong Kong, being jurisdictions in which one or more of the companies comprising our Group are incorporated.

17. Litigation

Save as disclosed in “Business — Litigation and Compliance”, neither our Company nor any of its subsidiaries is engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against our Company or any of its subsidiaries, that would have a material adverse effect on the results of operations or financial condition of our Group.

18. Sponsor

The Sponsor has made an application for and on behalf of our Company to the Listing Division for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus (including any Shares to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme). The Sponsor is independent of our Company in accordance with Rule 6A.07 of the GEM Listing Rules.

The Sponsor will be paid by our Company a total fee of HK\$4.4 million (excluding disbursement) to act as the sponsor to our Company in connection with the Listing.

19. Preliminary expenses

The estimated preliminary expenses of our Company are approximately HK\$100,000 and are payable by our Company.

20. Promoters

Our Company has no promoter for the purpose of the GEM Listing Rules. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to any promoters of our Company in connection with the Share Offer or the related transactions described in this prospectus.

21. Qualification of experts

The qualifications of the experts who have given opinions or advice in this prospectus are as follows:

| Name | Qualifications |
|---------------------------------|--|
| Lego Corporate Finance Limited | Licensed corporation under the SFO licensed to carry out type 6 (advising on corporate finance) regulated activity |
| BDO Limited | Certified Public Accountants |
| Appleby | Legal adviser of our Company as to Cayman Islands law |
| Frost & Sullivan Limited | Independent industry consultant |
| International Valuation Limited | Independent valuer |
| Leung, Richard W.K. | Barrister-at-law in Hong Kong |

22. Consents of experts

Each of the experts named in paragraph 21 above has given and has not withdrawn its written consents to the issue of this prospectus with the inclusion of its report, letter, valuation, opinion or summaries of opinion (as the case may be) and the references to its names included herein in the form and context in which they respectively appear.

None of the experts named in paragraph 21 above has any shareholding interests in any member of our Group and the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

23. Binding effect

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

24. Taxation of holders of Shares

Dealings in Shares registered on our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty. The sale, purchase and transfer of Shares are subject to Hong Kong stamp duty, the current rate of which is 0.2% of the consideration or, if higher, the value of the Shares being sold or transferred.

Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

Under present Cayman Islands law, transfers and other dispositions of Shares are exempt from Cayman Islands stamp duty.

Potential holders of Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in Shares. It is emphasised that none of our Company, our Directors or the other parties involved in the Share Offer can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares.

25. Share registers

The principal register of members of our Company is maintained in the Cayman Islands by Esera Trust (Cayman) Limited and the branch register of members of our Company is maintained in Hong Kong by Boardroom Share Registrars (HK) Limited. Unless our Directors otherwise agree, all transfers and other documents of title to Shares must be lodged for registration with, and registered by, the branch registrar in Hong Kong and may not be lodged in the principal registrar in the Cayman Islands.

26. Miscellaneous

- (i) Save as disclosed in “History, Reorganisation and Corporate Structure” and “Structure and Conditions of the Share Offer” in this prospectus and paragraph 2 in this appendix, within two years immediately preceding the date of this prospectus:
 - (aa) no share or loan capital of our Company or of any of our subsidiaries has been issued, agreed to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (bb) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and
 - (cc) no commission has been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions, for any Share 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) Save as disclosed in “Summary” and “Financial Information” in this prospectus, there has been no material adverse change in the financial position or prospects of our Group since 30 September 2016 (being the date to which the latest audited consolidated financial statements of our Group were made up).
- (iv) There has not been any interruption in the business of our Group which may have or has had a material adverse effect on the financial position of our Group.
- (v) There is no arrangement under which future dividends of our Company are waived or agreed to be waived.
- (vi) There are no founder, management or deferred shares in our Company or any of its subsidiaries.
- (vii) Our Group does not have any outstanding convertible debt securities or debentures.
- (viii) No securities of our Group are listed, and no listing of any such securities is proposed to be sought, on any other stock exchange.
- (ix) All necessary arrangements have been made to enable the Shares to be admitted into CCASS.
- (x) None of the debt and equity securities of the companies comprising our Group is presently listed on any stock exchange or traded on any trading system.

27. Bilingual prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided under section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).