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This document comprises a Prospectus relating to Starcrest Education The Belt & Road Limited (the "Company") prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the "FCA") made under section 73A of FSMA and approved by the FCA under section 87A of FSMA. This document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

The distribution of this document into jurisdictions other than the United Kingdom may be restricted by law. Therefore, persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction.

Application will be made to the FCA for all of the ordinary shares of £0.01 each in the Company (the "Ordinary Shares") to be admitted to the standard segment of the Official List of the UK Listing Authority (the "Official List") by way of a Standard Listing under Chapter 14 of the listing rules published by the UK Listing Authority under section 73A of FSMA as amended from time to time (the "Listing Rules") and to the London Stock Exchange plc (the "London Stock Exchange") for such Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities (together, "Admission"). Admission to trading on the London Stock Exchange's main market for listed securities constitutes admission to trading on a regulated market. No application has been made, or at this time is intended to be made, for the Ordinary Shares to be admitted for listing or dealt with on any other stock exchange. It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 31 January 2019.

This document has not been registered with nor approved by the Cayman Islands Monetary Authority or any other securities or other authority in the Cayman Islands, and it should be distinctly understood that the Cayman Islands Monetary Authority or any such other authority does not vouch for the financial soundness of the Company nor takes responsibility for the contents of this document. The Cayman Islands Monetary Authority or any such other authority shall not be liable for any action suffered as a result of reliance on this document.

The Company and each of the Directors, whose names appear on page 32 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

INVESTORS SHOULD READ THIS DOCUMENT IN ITS ENTIRETY. IN PARTICULAR, YOUR ATTENTION IS DRAWN TO "RISK FACTORS" FOR A DISCUSSION OF THE RISKS THAT MIGHT AFFECT THE VALUE OF YOUR SHAREHOLDING IN THE COMPANY. IT SHOULD BE REMEMBERED THAT THE PRICE OF THE ORDINARY SHARES AND THE INCOME FROM THEM CAN GO DOWN AS WELL AS UP.

Starcrest Education The Belt & Road Limited

(Incorporated in the Cayman Islands under the Companies Law of the Cayman Islands with registered number 337619)

Admission to the Standard Listing segment of the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's Main Market for listed securities of 21,560,000 Ordinary Shares

Allenby Capital Limited

Financial Adviser & Broker

Allenby Capital Limited ("Allenby"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in relation to Admission and the arrangements referred to in this document. Allenby will not regard any other person (whether or not a recipient of this document) as its client in relation to Admission and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Allenby or for providing any advice in relation to Admission, the contents of this document or any transaction or arrangement referred to herein. No liability whatsoever is accepted by Allenby for the accuracy of any information or opinions contained in, or for the omission of any material information from, this document, for which it is not responsible.

This Prospectus has been prepared solely in respect of Admission and is being made publicly available for information purposes only and does not require any action to be taken by holders of Ordinary Shares. The Company is not offering any Ordinary Shares nor any other securities in connection with Admission, except that the Admission Subscription described in this document is conditional on Admission. This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, any Ordinary Shares nor any other securities in any jurisdiction. The Ordinary Shares will not be generally made available or marketed to the public in the UK or any other jurisdiction in connection with Admission.

The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) (the "Securities Act"), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of any province or territory of Australia, Canada, Japan, South Africa or the Republic of Ireland. Securities may not be offered or sold in the United States absent: (i) registration under the Securities Act; or (ii) an available exemption from registration under the Securities Act. The Ordinary Shares have not been and will not be offered or sold in the United States, Australia, Canada, Japan, South Africa or the Republic of Ireland or to or for the account or benefit of any person resident in Australia, Canada, Japan, South Africa, the United States or the Republic of Ireland and this document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in such jurisdictions or in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. These materials may not be published, distributed or transmitted by any means or media, directly or indirectly, in whole or in part, in or into the United States, Australia, Canada, Japan, South Africa or the Republic of Ireland. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves of and observe any such restrictions.

Application will be made for the Ordinary Shares to be admitted to the standard segment of the Official List. A Standard Listing affords investors in the Company a lower level of regulatory protection than that afforded to investors in companies whose securities are admitted to the premium segment of the Official List, which are subject to additional obligations under the Listing Rules. It should be noted that the UK Listing Authority will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules or those aspects of the Disclosure Guidance and Transparency Rules which the Company is either obliged to comply with or has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of the FSMA or Rule 3.4 of the Prospectus Rules, the publication of this document does not create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this document. Notwithstanding any reference herein to the Company's website, the information on the Company's website does not form part of this document.

Dated 28 January 2019

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Summary Information

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A – E.

This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of “not applicable”.

Section A – Introduction and warnings		
A.1	Introduction and warnings	This summary must be read only as an introduction to the Prospectus. Any decision to invest in Ordinary Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Consent for intermediaries	Not applicable. The Company has not given its consent to the use of this document for the resale or final placement of the Ordinary Shares by financial intermediaries.

Section B – Issuer		
B.1	Legal and commercial name	The legal and commercial name of the issuer is Starcrest Education The Belt & Road Limited.
B.2	Domicile/legal form/legislation /country of incorporation	The Company was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on 23 May 2018.
B.3	Current operations/ principal activities and markets	<p>The Company was established to undertake the acquisition of one or more European based schools that implements the International Baccalaureate (IB) program.</p> <p>The Company has never traded and, save as set out in this document, has not entered into any significant transactions or financial commitments.</p> <p>Following the completion of an Acquisition, the Company intends to participate in the management of the acquired business and adopt an operational strategy with the aim of generating value for its Shareholders.</p>
B.4a	Significant recent trends	The Directors are fully aware of the significant potential and fast changing nature of the international education industry and the opportunities arising from “The One Belt, One Road” (the “ OBOR ”) initiative. By the end of 2016, Chinese universities had established four joint venture institutes approved by the Chinese Ministry of Education and 98 education projects in 14 countries, most of which are situated along the OBOR countries.

		<p>Around 60 per cent. of the Chinese government scholarships in 2016 were awarded to students from OBOR countries. Domestically within China, the education market is also growing sharply, especially in the higher education sector. Total revenues generated by China's higher education industry increased from approximately US\$114.5 billion in 2012 to approximately US\$148.4 billion in 2016 and are expected to further increase to approximately US\$204.8 billion in 2021.</p>														
B.5	Group structure	Not applicable. The Company is not part of a group.														
B.6	Major shareholders	<p>All Shareholders have the same voting rights in respect of the existing share capital of the Company.</p> <p>As at 24 January 2019, the latest practicable date prior to the publication of this document and insofar as is known to the Company, the following Shareholders, directly or indirectly, had interests in five per cent. or more of the Company's capital or voting rights on Admission.</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2"><i>Name</i></th> <th colspan="2"><i>As at the date of this document</i></th> <th colspan="2"><i>On Admission</i></th> </tr> <tr> <th><i>Number of Ordinary Shares held</i></th> <th><i>Percentage of Ordinary Shares</i></th> <th><i>Number of Ordinary Shares held</i></th> <th><i>Percentage of Ordinary Shares</i></th> </tr> </thead> <tbody> <tr> <td>Starcrest Education⁽¹⁾</td> <td style="text-align: center;">800,000</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">16,170,00</td> <td style="text-align: center;">75%</td> </tr> </tbody> </table> <p><i>Notes:</i></p> <p>(1) Starcrest Education is a limited liability company incorporated pursuant to the Company Law of China on 6 May 2015 with a registered capital of RMB100 million which is wholly owned by Shenzhen Xingchen. Starcrest Education is the registered shareholder and member of the Company and is directly interested in the Ordinary Shares registered in its name on the register of members of the Company.</p> <p>Shenzhen Xingchen is a limited liability company incorporated pursuant to the Company Law of China on 2 April 2018 with a registered capital of RMB100 million which is owned as to 85 per cent. by Mr. Zhu and 15 per cent. by Shenzhen Xin Jiu Tian. Mr. Zhu and Shenzhen Xin Jiu Tian are accordingly interested indirectly by way of registered capital contribution in the Ordinary Shares held by Starcrest Education in the Company. Mr. Zhang contributed and is interested in 70 per cent. of the registered capital of Shenzhen Xin Jiu Tian, a limited liability company incorporated pursuant to the Company Law of China on 17 May 2016. Shenzhen Xin Jiu Tian contributed and is interested in 15 per cent. of the registered capital of Shenzhen Xingchen which is the sole shareholder of Starcrest Education. Accordingly, Mr. Zhang is indirectly interested in the Ordinary Shares directly held by Starcrest Education. The remaining 30 per cent. of the registered capital of Shenzhen Xin Jiu Tian is held by four Chinese individuals, none of whom is interested in more than five per cent. of the issued share capital of the Company. Shenzhen Xingchen is the sole shareholder of Starcrest Education and is indirectly interested in the Ordinary Shares directly held by Starcrest Education.</p>	<i>Name</i>	<i>As at the date of this document</i>		<i>On Admission</i>		<i>Number of Ordinary Shares held</i>	<i>Percentage of Ordinary Shares</i>	<i>Number of Ordinary Shares held</i>	<i>Percentage of Ordinary Shares</i>	Starcrest Education ⁽¹⁾	800,000	100%	16,170,00	75%
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B.7	Selected historical key financial information	<p>The Company was incorporated on 23 May 2018 and the following audited financial information was prepared for the period ended 31 May 2018. The Company has not yet commenced business.</p> <p>The statement of financial position of the Company as at 31 May 2018 is stated below:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; width: 20%;">£</th> </tr> </thead> <tbody> <tr> <td>ASSETS</td> <td></td> </tr> <tr> <td><i>Current assets:</i></td> <td></td> </tr> <tr> <td>Other receivables</td> <td style="text-align: right;">7,519</td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">—</td> </tr> <tr> <td>TOTAL ASSETS</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">7,519</td> </tr> </tbody> </table>		£	ASSETS		<i>Current assets:</i>		Other receivables	7,519	Cash and cash equivalents	—	TOTAL ASSETS	7,519		
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		<p>EQUITY AND LIABILITIES</p> <p><i>Capital and reserves attributable to owners of the Company:</i></p> <p>Share capital 7,519</p> <p>Retained earnings (9,818)</p> <hr/> <p>Total equity attributable to owners of the Company (2,299)</p> <p><i>Current liabilities:</i></p> <p>Accruals 9,818</p> <hr/> <p>Total liabilities 9,818</p> <hr/> <p>TOTAL EQUITY AND LIABILITIES 7,519</p> <hr/> <p>There has been no significant change in the financial condition and operating results of the Company both during and subsequent to the period covered by the historic financial information other than:</p> <ol style="list-style-type: none"> The Company has opened up a bank account with Overseas-Chinese Banking Corporation Limited for the purposes of receiving the Net Proceeds. The Subscriptions will result in the Company receiving Net Proceeds of £3,590,412. 																																																							
B.8	Selected key pro forma financial information	<p>Set out below is an unaudited pro forma statement of net assets of the Company as at 31 May 2018 which has been prepared on the basis set out in the notes below to illustrate the effect of the Admission on the net assets of the Company had Admission occurred on 31 May 2018:</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;"><i>Company (Note 1)</i></th> <th style="text-align: center;"><i>Adjustment (Note 2)</i></th> <th style="text-align: center;"><i>Adjustment (Note 3)</i></th> <th style="text-align: center;"><i>Pro forma net assets</i></th> </tr> <tr> <th></th> <th style="text-align: center;">£</th> <th style="text-align: center;">£</th> <th style="text-align: center;">£</th> <th style="text-align: center;">£</th> </tr> <tr> <th></th> <th style="text-align: center;"><i>Audited</i></th> <th style="text-align: center;"><i>Unaudited</i></th> <th style="text-align: center;"><i>Unaudited</i></th> <th style="text-align: center;"><i>Unaudited</i></th> </tr> </thead> <tbody> <tr> <td colspan="5"><i>Current assets:</i></td> </tr> <tr> <td>Other receivables</td> <td style="text-align: right;">7,519</td> <td style="text-align: right;">(7,519)</td> <td style="text-align: right;">–</td> <td style="text-align: right;">–</td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">–</td> <td style="text-align: right;">8,000</td> <td style="text-align: right;">3,590,412</td> <td style="text-align: right;">3,598,412</td> </tr> <tr> <td></td> <td style="text-align: right;"><hr/>7,519</td> <td style="text-align: right;"><hr/>481</td> <td style="text-align: right;"><hr/>3,590,412</td> <td style="text-align: right;"><hr/>3,598,412</td> </tr> <tr> <td colspan="5"><i>Current liabilities:</i></td> </tr> <tr> <td>Accruals</td> <td style="text-align: right;">(9,818)</td> <td style="text-align: right;">–</td> <td style="text-align: right;">–</td> <td style="text-align: right;">(9,818)</td> </tr> <tr> <td></td> <td style="text-align: right;"><hr/>(9,818)</td> <td style="text-align: right;"><hr/>–</td> <td style="text-align: right;"><hr/>–</td> <td style="text-align: right;"><hr/>(9,818)</td> </tr> <tr> <td>Unaudited pro forma net (liabilities)/assets</td> <td style="text-align: right;"><hr/>(2,299)</td> <td style="text-align: right;"><hr/>481</td> <td style="text-align: right;"><hr/>3,590,412</td> <td style="text-align: right;"><hr/>3,588,594</td> </tr> </tbody> </table> <ol style="list-style-type: none"> The financial information relating to the Company has been extracted without adjustment from the audited financial information set out in Part 10 of this document. The adjustment of £7,519 represents the unpaid share capital from the 10,000 Ordinary Shares of US\$1 each, which were repurchased by the Company on 18 December 2018. On the same date, 800,000 Ordinary Shares of £0.01 each were issued for a cash consideration of £8,000. The adjustment of £3,590,412 represents the gross proceeds of the Admission Subscription and Original Subscription, less associated costs and expenses of the Admission amounting to £561,588. 		<i>Company (Note 1)</i>	<i>Adjustment (Note 2)</i>	<i>Adjustment (Note 3)</i>	<i>Pro forma net assets</i>		£	£	£	£		<i>Audited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Current assets:</i>					Other receivables	7,519	(7,519)	–	–	Cash and cash equivalents	–	8,000	3,590,412	3,598,412		<hr/> 7,519	<hr/> 481	<hr/> 3,590,412	<hr/> 3,598,412	<i>Current liabilities:</i>					Accruals	(9,818)	–	–	(9,818)		<hr/> (9,818)	<hr/> –	<hr/> –	<hr/> (9,818)	Unaudited pro forma net (liabilities)/assets	<hr/> (2,299)	<hr/> 481	<hr/> 3,590,412	<hr/> 3,588,594
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B.9	Profit forecast	Not applicable. This document does not contain profit forecasts or estimates.																																																							

B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. There are no qualifications in the accountant's reports on the historical financial information.
B.11	Working capital explanation	Not applicable. The Company is of the opinion, taking into account the Net Proceeds of the Subscriptions, that it has sufficient working capital for its present requirements, that is for at least twelve (12) months from the date of this document.

Section C – Securities		
C.1	Type and class of the securities admitted to trading	The securities being admitted to trading are the Ordinary Shares. When admitted to trading the Ordinary Shares will have an ISIN of KYG843791099 and a SEDOL of BJ2KD34.
C.2	Currency of the securities	The Ordinary Shares are denominated and subscribed for in GBP.
C.3	Issued share capital	The Company will have 21,560,000 Ordinary Shares in issue on Admission, including the 16,170,000 Ordinary Shares held by Starcrest Education.
C.4	Rights attaching to the securities	<p>The Ordinary Shares rank <i>pari passu</i> in all respects with each other, including for voting purposes and in full for all dividends and distributions on Ordinary Shares declared, made or paid after their issue and for any distributions made on a winding up of the Company. On a show of hands, each Shareholder has one vote and on a poll each Shareholder has one vote per Ordinary Share held.</p> <p>In accordance with the Memorandum and Articles of Association, any Ordinary Shares issued for cash must first be offered to Shareholders in proportion to their holdings of Ordinary Shares. Such pre-emption rights may be waived by a Special Resolution of Shareholders.</p> <p>The Cayman Companies Law permits, subject to a solvency test and the provisions, if any, of the Memorandum and Articles, the payment of dividends and distributions out of the share premium accounts. With the exception of the foregoing, there are no statutory provisions relating to the payment of dividends. Based upon English case law, which is regarded as persuasive in the Cayman Islands, dividends may be paid only out of profits. No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made, by the Company, in respect of a treasury share.</p>
C.5	Restrictions on free transferability of the securities	The Ordinary Shares are freely transferable and there are no restrictions on transfer.
C.6	Admission to trading	Application has been made to the UK Listing Authority and the London Stock Exchange for all of the Ordinary Shares to be admitted to the standard segment of the Official List and to trading on the Main Market respectively.

		No application has been made or is currently intended to be made for the Ordinary Shares to be admitted to trading on any other exchange.
C.7	Dividend policy	The Directors recognise the importance of dividends to investors and, as the Company's business matures, will keep under review the desirability of paying dividends. Future income generated by the Company is likely to be re-invested in the Company's business. In view of this, it is unlikely that the Board will recommend a dividend in the early years following Admission.

Section D – Risks		
D.1	Key information on the key risks that are specific to the Company or its industry	<p>RISKS RELATING TO THE COMPANY AND ITS BUSINESS STRATEGY</p> <ul style="list-style-type: none"> ● The Company is a newly formed entity with no operating history and, therefore, investors have no basis on which to evaluate the Company's ability to achieve its objective of identifying, acquiring and operating a company or business. Currently, there are no plans, arrangements or understandings with any prospective target company or business regarding an Acquisition and the Company may acquire a target company or business that does not meet the Company's stated acquisition criteria. ● The success of the Company's business strategy is dependent on its ability to identify and complete a suitable Acquisition. The Company cannot estimate how long it will take to identify suitable acquisition opportunities or whether it will be able to identify any suitable acquisition opportunities at all within two years of the date of Admission. If an Acquisition has not been announced within two (2) years of Admission, the Board will consult with Shareholders as to the ongoing direction and activities of the Company. ● The Company may not have sufficient funds to effect an Acquisition identified by it and may require additional debt or equity funding to complete an Acquisition or to fund the operations of the target business. Where the Company issues Ordinary Shares in the future in connection with an equity fundraising or in consideration for an Acquisition, such issuance may result in the then existing Shareholders of the Company sustaining dilution to their relative proportion of the equity in the Company. <p>RISKS RELATING TO OPERATIONS IN THE EDUCATION SECTOR</p> <ul style="list-style-type: none"> ● Following an Acquisition, the Company will be subject to the rules applicable to the target company or business which it acquires. Therefore, the Company may be subject to regulatory and compliance risk, including the risk of fines, public reprimands, damage to reputation, increased prudential requirements, enforced suspension of operations or, in extreme cases, withdrawal of authorisations to operate. ● If the Company delivers education services via a third party there is risk of insolvency of that third party and reputational risk due to any impropriety in that third party's business dealings. ● The Company may be subject to unforeseeable economic, political and social conditions and government policies which could materially and adversely affect business performance.

		<p>RISKS RELATING TO DIRECTORS' CONFLICTS OF INTEREST</p> <ul style="list-style-type: none"> ● Three members of the board of Directors are non-executive and therefore will not be allocating all of their time to the Company's affairs, which could have a negative impact on the Company's ability to complete an Acquisition. ● The Company is largely dependent on the Executive Directors to identify potential acquisition opportunities and to execute an Acquisition. The loss of the services of the Executive Directors could materially adversely affect the Company's ability to identify potential acquisition opportunities. ● The Executive Directors and/or their affiliates may in the future enter into agreements with the Company that are not currently under contemplation. It is possible that agreements entered into with the Company may give rise to conflicts of interest between the Company and the Executive Directors. ● Mr. Zhu, Mr. Zhang and the four Chinese individuals interested in 30 per cent. of the registered capital of Shenzhen Xin Jiu Tian control (through their holding companies) Starcrest Education, which at Admission will hold 16,170,000 Ordinary Shares, representing approximately 75 per cent. of the issued voting share capital of the Company. Those persons acting together, and Mr. Zhu acting alone through his control of Shenzhen Xingchen, control Starcrest Education and, accordingly, they will have the power to exercise significant influence over all matters requiring Shareholders' approval. This could have the effect of preventing the Company from entering into transactions that could be beneficial to it or other Shareholders. ● A Director with employer links to one or more education establishments, either UK based or overseas, may fail to address conflicts of interest between the Company's business dealings and the education mission of the Director's employer, including matters in relation to share allocations and payment for services.
<p>D.3</p>	<p>Key information on the key risks that are specific to the securities</p>	<ul style="list-style-type: none"> ● The Company is applying for a Standard Listing on the Official List in accordance with Chapter 14 of the Listing Rules. As a result, the Shareholders will be afforded a lower level of regulatory protection than that afforded to investors of a company with a Premium Listing. ● Notwithstanding the fact that an application will be made for the Ordinary Shares to be admitted to the Standard Listing segment of the Official List this should not be taken as implying that there will be a liquid market in the Ordinary Shares and, accordingly, it may be more difficult for investors to sell their Ordinary Shares. The share price of publicly traded companies can be highly volatile and subject to wide fluctuations in response to a variety of factors, which could lead to losses for Shareholders. ● Investors may not be able to realise returns on their investment in the Ordinary Shares within a period that they would consider to be reasonable. ● Admission should not be taken as implying that there will be an active trading market for the Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the Subscription Price and may not reflect their underlying asset value. ● The UKLA retains a general power to suspend a company's securities where it considers it necessary to protect investors. A leak in relation to or an announcement of an Acquisition without sufficient information disclosures being made available to the market may result in a suspension of the Ordinary Shares' listing and there is no assurance that the Ordinary Shares could be readmitted to listing thereafter.

		<ul style="list-style-type: none"> ● The Articles provide for pre-emption rights to be granted to Shareholders in the Company, unless such rights are disapplied by a shareholder resolution. However, securities laws of certain jurisdictions may restrict the Company's ability to allow participation by Shareholders in future offerings. ● Shareholders will not be entitled to the takeover offer protections provided by the City Code.
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Section E – Offer		
E.1	Net proceeds/ estimate of expenses	There will be an issue of Ordinary Shares in connection with the Subscriptions. The gross proceeds of the Subscriptions will be £4.152 million. The total expenses incurred (or to be incurred) in connection with Admission (including costs of the Admission Subscriptions) are £0.566 million. The estimated Net Proceeds amount to £3.590 million.
E.2	Reasons for the offer/use of proceeds/net amount of proceeds	The gross proceeds of the Subscriptions are approximately £4.152 million. The Company intends to use some of the funds received to pay its costs and expenses in connection with Admission (including the costs of the Subscriptions). The Net Proceeds are also intended to be used by the Company to fund the costs and expenses of pursuing the Company's acquisition strategy (including costs related to readmission upon completion of an Acquisition).
E.3	Terms and conditions of the offer	Not applicable. There is no offer of the Company's securities.
E.4	Interests material to the issue/ conflicting interests	The interests of Starcrest Education, in which Mr Zhu and Mr Zhang are interested, prior to the Admission Subscription, represent 100 per cent. of the issued share capital as at the date of this document and following the completion of Admission Subscription are expected to represent approximately 75 per cent. of the issued share capital as at Admission. Save as set out herein, there are no interests, known to the Company, material to Admission or which are conflicting interests.
E.5	Name of the offer or/lock up agreements	Not applicable. No person or entity is offering to sell relevant securities. Each of Mr. Zhu, Mr. Zhang and the four Chinese individuals interested in 30 per cent. of the registered capital of Shenzhen Xin Jiu Tian (the "Convenators") has entered into a Lock-in and Orderly Market Agreement whereby (save as agreed in advance with Allenby) each of the Covenantors undertook to the Company and Allenby that he would not, and would procure that his Related Parties would not, dispose of any of his respective interests in Ordinary Shares held by Starcrest Education (and Ordinary Shares derived from them) or dispose of any interest in his respective Related Parties for twelve (12) months following the date of Admission ("Lock-in Period"), subject to certain exceptions. In addition, for the twelve (12) month period following the Lock-in Period, each of the Covenantors undertook that such interests in the Ordinary Shares and Related Parties would only be disposed of if Allenby is of the opinion that such disposal will not give rise to a disorderly market in the Ordinary Shares (subject to certain exceptions).

E.6	Dilution	20,760,000 Ordinary Shares will be issued conditional upon Admission pursuant to the Subscriptions which will result in the Company's shareholder base increasing from one shareholder as beneficial owner, being Starcrest Education, to more than 10 shareholders and will result in the number of Ordinary Shares in the Company held by Starcrest Education increasing from 800,000 as at the date of this document to 16,170,000 on Admission, representing a dilution in Starcrest Education's shareholding in the Company from 100 per cent. of the issued share capital at the date of this document to approximately 75 per cent. of the issued share capital as at Admission.
E.7	Estimated expenses charged to the investor	No expenses related to listing are being charged to the Subscribers.

Part 1

Risk Factors

Investment in the Company and the Ordinary Shares carries a significant degree of risk, including risks in relation to the Company's business strategy, operations in the international educational sector, potential conflicts of interest, risks relating to taxation and risks relating to the Ordinary Shares.

Prospective investors should note that the risks relating to the Company, the international educational sector and the Ordinary Shares (summarised in the section of this document headed "Summary") are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risks referred to below are those risks the Company and the Directors consider to be the material risks relating to the Company. However, there may be additional risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware that may adversely affect the Company's business, financial condition, results of operations or prospects. Investors should review this document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. If any of the risks referred to in this document were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the Ordinary Shares and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Further, investors could lose all or part of their investment.

RISKS RELATING TO THE COMPANY AND ITS BUSINESS STRATEGY

The Company is a newly formed entity with no operating history and has not yet identified any potential target company or business for an Acquisition

The Company is a newly formed entity with no operating results. It lacks an operating history, and, therefore, investors have no basis on which to evaluate the Company's ability to achieve its objective of identifying, acquiring and operating a company or business. Currently, there are no plans, arrangements or understandings with any prospective target company or business regarding an Acquisition and the Company may acquire a target company or business that does not meet the Company's stated acquisition criteria. The Company will not generate any revenues from operations unless it completes an Acquisition. Although the Company will seek to evaluate the risks inherent in a particular target company or business (including the industries and geographic regions in which it operates), it cannot offer any assurance that it will make a proper discovery or assessment of all of the significant risks. Furthermore, no assurance may be made that an investment in the Ordinary Shares will ultimately prove to be more favourable to investors than a direct investment, if such opportunity were available, in a target company or business. Because the Company does not expect that Shareholder approval will be required in connection with an Acquisition, investors will be relying on the Company's and the Executive Directors' ability to identify potential targets, evaluate their merits, conduct or monitor due diligence and conduct negotiations.

There is no assurance that the Company will identify suitable acquisition opportunities in a timely manner or at all

The success of the Company's business strategy is dependent on its ability to identify sufficient suitable acquisition opportunities. The Company cannot estimate how long it will take to identify suitable acquisition opportunities or whether it will be able to identify any suitable acquisition opportunities at all within two years of the date of Admission. If the Company fails to complete a proposed acquisition it may be left with substantial unrecovered transaction costs, potentially including substantial break fees, legal costs or other expenses. Furthermore, even if an agreement is reached relating to a proposed acquisition, the Company may fail to complete such acquisition for reasons beyond its control. Any such event will result in a loss to the Company of the related costs incurred, which could materially adversely affect subsequent attempts to identify and acquire another target business.

It is the intention of the Directors that in the event that no Acquisition has been announced by the second anniversary of Admission, Shareholders will be consulted as to the on-going direction and activities of the Company. In the event that it is resolved that the Company be liquidated, there can be no assurance as to the particular amount or value of the remaining assets at such future time of any such distribution either as a result of costs from an unsuccessful acquisition or from other factors, including disputes or legal claims which the Company is required to pay out, the cost of the liquidation and the dissolution process, applicable tax liabilities or amounts due to third party creditors. Upon distribution of assets on liquidation, such costs and expenses may result in investors receiving less than they invested.

The Company may face significant competition for acquisition opportunities

There may be significant competition for some or all of the acquisition opportunities that the Company may explore. Such competition may for example come from strategic buyers, sovereign wealth funds, special purpose acquisition companies and public and private investment funds; many of which are well established and have extensive experience in identifying and completing acquisitions. A number of these competitors may possess greater technical, financial, human and other resources than the Company. The Company cannot assure investors that it will be successful against such competition. Such competition may cause the Company to be unsuccessful in executing an Acquisition or may result in a successful Acquisition being made at a significantly higher price than would otherwise have been the case.

Due diligence by the Company in connection with any Acquisition may not reveal all relevant considerations or liabilities of the target business

There can be no assurance that the due diligence undertaken with respect to a potential Acquisition will reveal all relevant facts that may be necessary to evaluate such Acquisition including the determination of the price the Company may pay for an Acquisition target, or its costs in formulating a business strategy. Furthermore, the information provided during due diligence may be incomplete, inadequate or inaccurate. As part of the due diligence process, the Company will also make subjective judgments regarding the results of operations, financial condition and prospects of a potential opportunity. If the due diligence investigation fails to correctly identify material issues and liabilities that may be present in a target company or business, or if the Company considers such material risks to be commercially acceptable relative to the opportunity, and the Company proceeds with an Acquisition, the Company may subsequently incur substantial impairment charges or other losses. In addition, following an Acquisition, the Company may be subject to significant, previously undisclosed liabilities of the acquired business that were not identified during due diligence and which could contribute to poor operational performance, undermine any attempt to restructure the acquired company or business in line with the Company's business plan and have a material adverse effect on the Company's financial condition and results of operations.

If the Company acquires less than either the whole voting control of a target company or business, its decision-making authority to implement its plans may be subject to third party intervention

Although the Company may acquire the whole voting control of a target company or business, it may also consider acquiring a controlling interest constituting less than the whole voting control or less than the entire equity interest of that target company or business, if such opportunity is attractive or where the Company would acquire sufficient influence to implement its strategy. If the Company acquires either less than the whole voting control of, or less than the entire equity interest in, a target company or business, the remaining ownership interest will be held by third parties. Accordingly, the Company's decision-making authority may be limited or the Company may be subject to a claim from the shareholders of a target company, if it is being managed in a way that is prejudicial to them. Such acquisition may also involve the risk that such third parties may become insolvent or unable or unwilling to fund additional investments in the target. Such third parties may also have interests which are inconsistent or conflict with the Company's interests, or they may obstruct the Company's strategy for the target or propose an alternative strategy. Any third party's interests may be contrary to the Company's interests. In addition, disputes among the Company and any such third parties could result in litigation or arbitration. Any of these events could impair the Company's objectives and strategy, which could have a material adverse effect on the continued development or growth of the acquired company or business.

The Company may require additional funding to complete an Acquisition or to fund the operations of the target business

Although the Company has not identified any prospective target company or business and cannot currently predict the amount of additional capital that may be required, the Company may not have sufficient funds to effect an Acquisition. In such an event, the Company will likely be required to seek additional equity or debt financing. As such, the pre-emption rights in the Articles have been waived, subject to Admission (a) for the purposes of or in connection with the Original Subscription and the Admission Subscription; (b) for the purposes of an Acquisition (including in respect of consideration payable for an Acquisition, in cash); and (c) generally, and in addition, for such purposes as the Directors think fit, up to an aggregate amount equal to 50 per cent. of the aggregate nominal amount of Ordinary Shares in issue (as at the close of business on the first business day following Admission). That said, the Company may not receive sufficient support from the Shareholders, including Starcrest Education, which on Admission will be controlled by Mr. Zhu, Mr. Zhang and the four Chinese individuals indirectly and will hold approximately 75 per cent. of the Ordinary Shares by way of registered capital contribution to raise additional equity, and new equity investors may be unwilling to invest on terms that are favourable to the Company, or at all. Lenders may be unwilling to extend debt financing to the Company on attractive terms, or at all. To the extent that additional equity or debt financing is necessary to complete the Acquisition and remains unavailable or only available on terms that are unacceptable to the Company, the Company may be compelled either to restructure or abandon an Acquisition, or proceed with an Acquisition on less favourable terms, which may reduce the Company's return on the investment. Even if additional financing is unnecessary to complete an Acquisition, the Company may subsequently require equity or debt financing to implement operational improvements in the acquired business. The failure to secure additional financing or to secure such additional financing on terms acceptable to the Company could have a material adverse effect on the continued development or growth of the acquired business. Where the Company issues Ordinary Shares in the future, such issuance may result in the then existing shareholders of the Company sustaining dilution to their relative proportion of the equity in the Company.

The Company may be unable to hire or retain personnel required to support the Company after an Acquisition

Following completion of an Acquisition, the Company will evaluate the personnel of the acquired business and may determine that it requires increased support to operate and manage the acquired business in accordance with the Company's overall business strategy. There can be no assurance that existing personnel of the acquired business will be adequate or qualified to carry out the Company's strategy, or that the Company will be able to hire or retain experienced, qualified employees to carry out the Company's strategy.

The Company will be subject to restrictions in offering its Ordinary Shares as consideration for an Acquisition in certain jurisdictions and may have to provide alternative consideration, which may have an adverse effect on its operations

The Company may offer its Ordinary Shares or other securities as part of the consideration to fund, or in connection with, an Acquisition. However, certain jurisdictions may restrict the Company's use of its Ordinary Shares or other securities for this purpose, which could result in the Company needing to use alternative sources of consideration. Such restrictions may limit the Company's available acquisition opportunities or make a certain Acquisition more costly.

Upon the completion of an Acquisition, the Company will be a holding company whose principal source of operating cash will be income received from the business it has acquired

If an Acquisition is completed, the Company will be dependent on the income generated by the acquired business to meet the Company's expenses and operating cash requirements. The amount of distributions and dividends, if any, which may be paid from any operating subsidiary to the Company will depend on many factors, including such subsidiary's results of operations and financial condition, limits on dividends under applicable law, exchange control laws and regulations, its constitutional documents, documents governing any indebtedness of the Company, and other factors which may be outside the control of the Company. If the acquired business is unable to generate sufficient cash flow, the Company may be unable to pay its expenses or make distributions and dividends to holders of Ordinary Shares.

The Company expects to acquire a controlling interest in a single company or business which will increase the risk of losses associated with underperforming assets

The Company expects that if an Acquisition is completed on the basis of an acquisition of a single company or business, its business risks will be concentrated in that single company or business. As a consequence, returns for Shareholders may be adversely affected if growth in the value of the acquired business is not achieved, or if the value of the acquired business or any of its material assets is subsequently written down. Accordingly, investors should be aware that the risk of investing in the Company could be greater than investing in an entity which owns or operates a range of businesses and businesses in a range of sectors. The Company's future performance and ability to achieve positive returns for Shareholders will therefore be solely dependent on the subsequent performance of the sole acquired business. There can be no assurance that the Company will be able to propose effective operational and restructuring strategies for any company or business which the Company acquires and, to the extent that such strategies are proposed, there can be no assurance they will be implemented effectively.

The Company may be subject to foreign exchange and investment risks

The Company's results are reported in GBP. If the Company acquires an entity which has a business conducted and denominated in a currency other than GBP, then this may result in foreign exchange risk. In particular, when consolidating a business that has functional currencies other than GBP, the Company will be required to translate, *inter alia*, the balance sheet and operational results into GBP and, as such, changes in exchange rates between GBP and the functional currency of the acquired entity could lead to significant changes in the Company's reported financial results from period to period. In the event that the Company acquires an entity of this nature, the Company will determine what risk management procedures it may implement, which may involve foreign currency hedging. Such procedures implemented by the Company may not be adequate in eliminating all foreign exchange risk and thus changes in currency values may have a material adverse effect on the Company's economic interests.

In the event that the Company does not identify an Acquisition, the Shareholders may be required to take action to wind up the Company

The Company has been incorporated to undertake the acquisition of a target company and/or business. In the event that the Company does not identify a target for acquisition or does not complete an Acquisition in the long term in order to achieve a return on capital for Shareholders, it may be necessary to wind up the Company in order to return any remaining cash to Shareholders. On any such return of capital there can be no assurance as to the particular amount or value of the remaining assets at such future time of any such return of capital either as a result of costs from an unsuccessful acquisition or from other factors, including disputes or legal claims which the Company is required to pay out, the cost of the liquidation and the dissolution process, applicable tax liabilities or amounts due to third party creditors. Upon distribution of assets on a liquidation, such costs and expenses may result in investors receiving less than they invested.

The Company may be subject to complaints, legal proceedings, litigation or claims by clients in the normal course of business

Upon completion of an Acquisition, and depending on the nature of the business and assets acquired, the Company may be subject to complaints or claims by clients in the normal course of its business. There is no certainty that such claims or complaints will not be material and that any settlements, awards or legal expenses associated with defending or appealing against any decisions in respect of any such complaints or claims will not have a material adverse effect on the Company's operating results or financial condition. The Company's business may be materially adversely affected if the Company and/or its employees or agents or those of any business it acquires are found not to have met the appropriate standard of care or exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards.

The Company's operating results may fluctuate significantly from quarter to quarter and from year to year

In the event that an Acquisition is completed, the Company will be dependent on the income generated by the acquired subsidiary or business, hence the Company's operating results may fluctuate from quarter to quarter and from year to year due to a combination of factors, including, *inter alia*, the number of businesses in which the Company has secured an economic interest, the number of successful divestments of interests

in companies and projects in which the Company has acquired an interest, variations in expenditures for personnel, litigation expenses and expenses relating to the establishment of new business units.

The Company does not have any insurance coverage

Save for directors' and officers' liability insurance, Company does not hold any insurance policies, including any key man insurance. Accordingly, the Company is exposed to the full extent of any financial losses in the event of any incident that causes loss or damage to the Company.

There is no assurance that the Company's risk management policies and procedures to mitigate its exposure to market and operational risk will be effective

Uncertainty and risk are inherent in any business activity that includes holding/receiving an equity stake in other companies. The Company is therefore likely to be exposed in the future to risks which could result in financial losses. The Company's principal risks relate to market risk, operational risk and regulatory and legal risk. Accordingly, risk management and control of the balance between risk and return are critical elements influencing the Company's financial stability and profitability. Operational risks refer to the risks of financial loss resulting from the Company's own operations including, but not limited to, deficiencies in the Company's operating policy and inadequacies or breaches in the Company's control procedures. There is no certainty that the Company's policies and procedures to mitigate its exposure to market and operational risk will be completely effective. Unforeseen events and changes in the economy may lead to market disruptions and unexpected large or rapid changes in market conditions which may have a significant adverse effect on the Company's business and financial prospects and stability.

RISKS ASSOCIATED WITH OPERATIONS IN THE EDUCATION SECTOR

The Company may be subject to regulatory and compliance risk following an Acquisition

Following an Acquisition, the Company will be subject to the rules applicable to the target company or business which it acquires. Non-compliance with such regulations could lead to fines, public reprimands, damage to reputation, increased prudential requirements, enforced suspension of operations or, in extreme cases, withdrawal of authorisations to operate. Any future regulatory changes may potentially restrict the operations of the Company following an Acquisition in such sector, impose increased compliance and regulatory capital costs, reduce investment returns or increase associated fees, increase corporate governance/supervision costs, reduce the competitiveness of any business of the Company, reduce the ability of the Company to hire and retain key personnel or impose restrictions on whether individuals may be appointed or retained as directors of the Company and impose other restrictions and obligations which could adversely affect the Company's profitability. If the Company enters into delivery of education services via a third party, there is a risk of insolvency of such third party partner as a creditor and reputational risk due to any impropriety in such third party's business dealings.

The Company may be subject to economic, political and social conditions and government policies which could materially and adversely affect business performance

Any unforeseen circumstances with adverse impact on investors' confidence and risk appetites, such as general deterioration of the economy, and deterioration of political relations or tightening of relevant governmental policies may lead to reduction in government/corporate investment/development activities and in turn affect business performance.

RISKS RELATING TO DIRECTORS' CONFLICTS OF INTEREST

Three members of the board of Directors are non-executive and therefore will not be allocating all of their time to the Company's affairs, which could have a negative impact on the Company's ability to complete the Acquisition

None of the non-executive Directors are required to commit their full time or any specified times to the Company's affairs, which could create a conflict of interest when allocating their time between the Company's operations and their other commitments. If the non-executive Directors' other business affairs require them to devote more substantial amounts of time to such affairs, it could limit their ability to devote time to the Company's affairs and could have a negative impact on the Company's ability to consummate an Acquisition. The Company can provide no assurance that these conflicts will be resolved in the Company's favour.

A Director with employer links to education establishments, either UK based or overseas, may fail to address conflicts of interest between the Company business dealings and the education mission of the Director's employer including share allocations and payment for services.

The Company is dependent on the Executive Directors to identify potential acquisition opportunities and to execute any Acquisition and the loss of the services of the Executive Directors could materially adversely affect it

The Company is dependent upon the Executive Directors to identify potential acquisition opportunities and to execute any Acquisition. The Company does not have key man insurance in respect of the Executive Directors. The unexpected loss of the services of the Executive Directors could have a material adverse effect on the Company's ability to identify potential acquisition opportunities and to execute an Acquisition.

Mr. Zhu and Mr. Zhang and/or their affiliates may in the future enter into related party transactions with the Company, which may give rise to conflicts of interest between the Company and Mr. Zhu and Mr. Zhang

Mr. Zhu and Mr. Zhang and/or one or more of their affiliates may in the future enter into other agreements with the Company that are not currently under contemplation. It is possible that the entering into of such an agreement might raise conflicts of interest between the Company and Mr. Zhu and Mr. Zhang.

The Company has adopted a corporate governance policy overseen by the Independent Non-Executive Directors in order to establish within the Company a framework for corporate governance expected of a publically listed company on the London Stock Exchange. Further, the Relationship Deeds, details of which are set out in paragraph 12.8 of Part 14 of this document, have been entered into to ensure that no undue influence is placed on the Company by Mr. Zhu and Mr. Zhang, who have major shareholding interests in the Company as well as being Directors. Whilst such duties, framework and/or Relationship Deeds are in place, these may not be adequate to ensure corporate governance issues do not arise.

Mr. Zhu and Mr. Zhang through their aggregate controlling stake² in the Company, have substantial influence over the Company and their interests may not be aligned with the interests of other Shareholders

Mr. Zhu, Mr. Zhang and the four Chinese individuals (through their holding companies) are indirectly interested in the Ordinary Shares directly held by Starcrest Education, which at Admission will hold 16,170,000 Ordinary Shares, representing approximately 75 per cent. of the issued voting share capital of the Company. As a result of such control those persons acting together, and Mr. Zhu acting alone through his control of Shenzhen Xingchen, will have the power to exercise significant influence over all matters requiring Shareholders' approval, including the election of the Directors, amendments to the Articles, amalgamations and plans of arrangement and mergers or sales of substantially all of the Company's assets. This could have the effect of preventing the Company from entering into transactions that could be beneficial to it or other Shareholders. In addition, third parties could be discouraged from making a takeover bid to acquire any or all of the outstanding Ordinary Shares.

Any significant change in the interests of the above persons in Starcrest Education, or in Starcrest Education's holding of Ordinary Shares, through a sale, disposition or acquisition by others of their interests or Ordinary Shares could result in a change of control of the Company that may result in changes in business strategy, focus and/or practices which may in turn affect the profitability of the Company. In addition, the concentration of their ownership may have the effect of delaying or deterring a change in control in the Company, which may in turn deprive Shareholders of an opportunity to receive any premium for the Ordinary Shares as part of a sale or takeover of the Company, or affect the market price of the Ordinary Shares.

The Company and Allenby have entered into the Relationship Deeds and the Lock-in and Orderly Market Agreements with the Covenantors in order to address the risks set out above. However, the Company cannot be certain that the implementation of those agreements will address all such risks.

¹ Mr. Zhu and Mr. Zhang's interests in the issued share capital of the Company are held through certain Chinese holding companies; further details are set out in Part 14.

² Mr. Zhu and Mr. Zhang's interests in the issued share capital of the Company are held through certain Chinese holding companies; further details are set out in Part 14.

RISKS RELATING TO THE ORDINARY SHARES

There is currently no market for the Ordinary Shares, notwithstanding the Company's intention to be admitted to trading on the Main Market

Notwithstanding the fact that an application will be made for the Ordinary Shares to be admitted to the Standard Listing segment of the Official List and to trading on the Main Market, up to Admission there will have been no market for the Ordinary Shares. The price paid for Ordinary Shares pursuant to the Admission Subscription should not be considered an accurate indication of the value of Ordinary Shares following Admission. The price of the Ordinary Shares after Admission may also vary due to a number of factors, including, but not limited to, general economic conditions and forecasts, the Company's general business condition and the release of its financial reports. Although the Company's current intention is that the Ordinary Shares should continue to trade on the Main Market for listed securities, there can be no assurance that it will always do so or that an active trading market for the Ordinary Shares will develop or, even if it does develop, will be maintained. Accordingly, unless a market can be established and maintained it may be difficult for investors to sell their Ordinary Shares.

Investors may not be able to realise returns on their investment in the Ordinary Shares within a period that they would consider to be reasonable

Investments in the Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this may contribute both to infrequent trading in the Ordinary Shares on the Main Market and to volatile Ordinary Share price movements. The share price of publicly traded companies can be highly volatile and subject to wide fluctuations in response to a variety of factors, which could lead to losses for Shareholders. The price at which the Ordinary Shares may trade and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Company and some which may affect quoted companies generally. These factors could include the performance of the Company's operations, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in its Ordinary Shares, currency fluctuations, legislative or regulatory changes (including changes in the tax regime in the jurisdiction in which the Company acquires an interest), additions or departures of key personnel at the Company, adverse press, newspaper and other media reports and general economic conditions. In addition, stock markets from time to time suffer significant price and volume fluctuations that affect the market price for securities and which may be unrelated to the Company's performance. The market price and value of the Ordinary Shares may accordingly fluctuate. A return on investment in the Ordinary Shares may, therefore, in certain circumstances be difficult to realise and investors should not expect that they will necessarily be able to realise their investment in the Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the Subscription Price and may not reflect their underlying asset value.

Dividend payments on the Ordinary Shares are not guaranteed and the Company does not intend to pay dividends prior to an Acquisition

To the extent that the Company intends to pay dividends on the Ordinary Shares, it will pay dividends following (but not before) an Acquisition at such times (if any) and in such amounts (if any) as the Board determines appropriate (in the case of interim dividends) and in accordance with applicable laws. The declaration, payment and amount of any future dividends, of the Company are subject to the discretion of the Shareholders or, in the case of interim dividends to the discretion of the Directors, and will depend upon, amongst other things, the Company's earnings, financial position, cash requirements, availability of profits (including the ability of any subsidiary of the Company from time to time to pay a dividend in accordance with the laws applicable to it), as well as provisions for relevant laws or generally accepted accounting principles from time to time.

Although the Board intends to pay dividends to Shareholders in the future there can be no assurance that the Company will declare and pay, or have the ability to declare and pay, any dividends in the future.

The proposed Standard Listing of the Ordinary Shares will afford Shareholders a lower level of regulatory protection than a Premium Listing

Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded

to Shareholders with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Ordinary Shares. Further details regarding the differences in the protections afforded by a Premium Listing against a Standard Listing are set out in the section entitled “Consequences of Standard Listing” in Part 2 of this document.

Shareholders will not have the opportunity to vote to approve an Acquisition

Unless such approval is required by law or other regulatory process, Shareholders will not have the opportunity to vote on an Acquisition even if Ordinary Shares are being issued as consideration for the Acquisition. Chapter 10 of the Listing Rules relating to significant transactions will not apply to the Company while the Company has a Standard Listing. The Company does not expect that Shareholder approval will be required in connection with an Acquisition, and therefore, investors will be relying on the Company's and the Executive Directors' ability to identify potential targets, evaluate their merits, conduct or monitor diligence and conduct negotiations in a manner that is beneficial to the Company.

A leak in relation to or an announcement of an Acquisition without sufficient information being made available to the market may result in a suspension of the Ordinary Shares' listing and there is no assurance that the Ordinary Shares could be readmitted to listing thereafter

An Acquisition, if it occurs, will be treated as a reverse takeover (within the meaning given to that term in the Listing Rules). If an Acquisition is leaked or announced when the Company is unable to provide the market with sufficient information regarding the impact of the Acquisition on its financial position, the FCA may, in line with usual practice, consider that suspension of the listing of the Ordinary Shares will be appropriate given that there will be insufficient publicly available information in the market about the proposed transaction and the Company will be unable to assess accurately its financial position in order to inform the market appropriately. If the listing of the Ordinary Shares is suspended by the FCA, the London Stock Exchange will suspend the trading in the Ordinary Shares. Any such suspension is likely to continue until sufficient financial information on the Acquisition is made public. Depending on the nature of the transaction (or proposed transaction) and the stage at which it is leaked or announced, it may take a substantial period of time to compile the relevant information, particularly where the target does not have financial or other information readily available which is comparable with the information a listed company would be expected to provide under the Disclosure Guidance and Transparency Rules and the Listing Rules (for example, where the target business is not itself already subject to a public disclosure regime), and the period during which the Ordinary Shares would be suspended may therefore be significant.

Furthermore, the Listing Rules provide that the FCA will generally seek to cancel the listing of a listed company's securities when it completes a reverse takeover. In such circumstances, the Company may seek the re-admission to listing either simultaneously with completion of any such Acquisition or as soon thereafter as is possible but there is no guarantee that such re-admission would be granted. A suspension or cancellation of the listing of the Ordinary Shares would materially reduce liquidity in such shares which may affect an investor's ability to realise some or all of its investment and/or the price at which such investor can effect such realisation.

Shareholders will not be entitled to the takeover offer protections provided by the City Code

The City Code applies, *inter alia*, to offers for all listed public companies considered by the Panel on Takeovers and Mergers to be incorporated or resident in the United Kingdom, the Channel Islands or the Isle of Man. The Company is incorporated as an exempted company under the laws of the Cayman Islands and is managed and controlled outside the United Kingdom. The Company is accordingly not so incorporated or resident and it has not adopted “Code equivalent” provisions in the Articles. Accordingly, the Ordinary Shares are not subject to the provisions of the City Code and therefore Shareholders will not receive the benefit of the takeover offer protections provided by the City Code.

There are no provisions under the laws of the Cayman Islands which are equivalent to the provisions of the City Code and the protections it provides to shareholders.

RISKS RELATING TO TAXATION

Changes in tax status of the Company and taxation legislation or its interpretation may affect the Company's ability to provide returns to Shareholders and/or alter the tax obligations of Shareholders

The attention of potential investors is drawn to Part 13 of this document headed "Taxation".

Statements in this document in relation to tax and concerning the taxation of investors in Ordinary Shares are based on current tax law and practice which is subject to change.

The taxation of an investment in the Company will depend on the specific circumstances of the relevant investor.

The nature and amount of tax which the Company is expected to pay and the reliefs expected to be available are each dependent upon a number of assumptions, any one of which may change and which would, if so changed, affect the nature and amount of tax payable and reliefs available.

Any change in tax law or practice, the tax status of the Company or the tax applicable to holding Ordinary Shares could increase the amount of tax payable by the Company, affect the value of the assets held by the Company, affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders.

Prospective investors are urged to consult their tax advisers with respect to their particular tax situations and the tax effects of an investment in the Company.

The location of management and control of the Company and the location of its business activities must be carefully managed to prevent adverse tax consequences

The Directors intend to conduct the affairs of the Company in such a way that it is not resident in the UK for UK tax purposes. In order to have non-UK tax resident status, the Company must be managed and controlled outside the UK.

The composition of the Board, the place of residence of the Board's individual members and the location(s) in which the Board makes its decisions will be important factors in determining and maintaining the non-UK tax residence status of the Company. The Company must pay continued attention to ensure that its decisions are taken outside the UK to ensure that it retains its non-UK tax resident status.

It is not intended that the activities of the Company will be such as to result in it being treated as carrying on a trade through a permanent establishment or otherwise being engaged in a trade or business in any jurisdiction which may result in the Company becoming directly subject to tax there in respect of its activities. If the Company were to trade or carry on business in such a jurisdiction, all or part of its income, profits or gains may be subject to tax in that jurisdiction, which could affect the Company's financial performance and returns to Shareholders.

RISKS RELATING TO THE CAYMAN ISLANDS

Enforcement of legal rights against the Company

The Company is a Cayman Islands exempted company. As a result, the rights of holders of Ordinary Shares will be governed by Cayman Islands law and the Memorandum and Articles. The rights of shareholders under Cayman Islands law may differ from the rights of shareholders of companies incorporated in other jurisdictions. The Executive Directors are not residents of the United Kingdom. There is no assurance that the courts in the Cayman Islands will enforce judgments obtained in other jurisdictions against the Company or the Directors or officers under the securities laws of those jurisdictions or entertain actions in the Cayman Islands against the Company or the Directors or officers under the securities laws of other jurisdictions.

Cayman legal system

The principal statute in the Cayman Islands governing the formation and operation of companies is the Cayman Companies Law. In general, many of the provisions of the Cayman Companies Law have been taken from the Companies Act, 1948 of the United Kingdom although their application has, in certain instances, been adapted to conform to general concepts of company law in the Cayman Islands. In some circumstances, however, certain statutory provisions differ quite substantially from their equivalent in the Companies Act 2006 of the United Kingdom, which is currently in force. Generally, principles of English common law apply in the Cayman Islands. The Cayman Islands courts will look to English decisions for guidance in interpreting these principles, subject to the statutory differences. There is a growing body of Cayman Islands case law dealing with company law issues.

Corporate disclosure and regulatory standards

Disclosure and regulatory standards of the Cayman Islands may in certain respects be less stringent than standards in other countries. There may be less publicly available information about Cayman Islands companies than is regularly published by or about companies in such other countries, or information about Cayman Islands companies may be protected by law and therefore not in the public domain. The difficulty in obtaining such information may mean that investors or parties may experience difficulties in obtaining reliable information regarding the Company.

Changes in applicable law

The Company must comply with various legal requirements, including, but not limited to, the Cayman Companies Law and Cayman Islands general laws. If any of the laws and regulations currently in effect should change or any new laws or regulations should be enacted, the legal requirements to which the Company and/or the Shareholders may be subject could differ materially from current requirements. Any change or modification may materially and adversely affect the Company and the Shareholders.

Risks relating to carrying on business in the Cayman Islands

On the basis of existing legislation, the Company, as an exempted company is, among other things, not permitted to carry on business in the Cayman Islands. While the Company believes that its activities will not be deemed as carrying on business in the Cayman Islands, there is a risk that the Cayman authorities could take a contrary view and subject the Company to further registration, licensing and other requirements.

Economic substance

In June 2018, the European Union's inter-governmental Code of Conduct Group (Business Taxation) issued a scoping paper on the requirements that certain jurisdictions outside the European Union must adopt with regards to economic substance of entities based in these jurisdictions, which includes the Cayman Islands. The Cayman Islands Government has committed to satisfying the European Union's requirements and has been working to develop legislation in this context, which will apply to Cayman Islands companies. In accordance with this commitment to the European Union, legislation came into force on 1 January 2019. The legislation may have an implication as to how the Company's affairs are managed.

Tax risks

At the present time, there is no Cayman Islands income tax, corporation tax, capital gains tax or other tax payable by the Company or its Shareholders. The Company is an exempted company under Cayman Islands law and has obtained an undertaking as to tax concessions pursuant to Section 6 of the Tax Concessions Law (2018 Revision) of the Cayman Islands. This undertaking once issued, will usually provide that, for a period of 20 years from the date of issue of the undertaking, no law thereafter enacted in the Cayman Islands imposing any taxes to be levied on profits, income, gains or appreciation will apply to the Company or its operations. No capital or stamp duties are levied in the Cayman Islands on the issue, transfer or redemption of shares. An annual registration fee will be payable by the Company to the Cayman Islands government which will be calculated by reference to the nominal amount of its authorised capital. The tax consequences of an investment in the Company are, however, complex, and the full tax impact of an investment in the Company will depend on circumstances particular to each investor. Accordingly, prospective investors are strongly urged to consult their tax advisers with specific reference to their own situations. In addition, the tax laws relevant to the Company are subject to change, and investors could incur tax liabilities as a result of such changes.

Different rules governing corporate governance

There is no applicable regime of corporate governance to which directors of a Cayman company must adhere over and above the general fiduciary duties and duties of care, diligence and skill imposed on such directors under Cayman Islands law. The Directors, however, recognise the importance of good corporate governance and confirm that following Admission, they will comply with the provisions of the QCA Code to the extent practicable and commensurate with the size, operations and state of development of the Company.

Part 2

Consequences of a Standard Listing

Application has been made for the Ordinary Shares to be admitted to the standard segment of the Official List (“**Standard Listing**”). A Standard Listing affords Shareholders and investors in the Company a lower level of regulatory protection than that afforded to investors in companies whose securities are admitted to the premium segment of the Official List, which are subject to additional obligations under the Listing Rules.

The Ordinary Shares will be admitted to listing on the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings and does not require the Company to comply with, *inter alia*, the provisions of Chapters 6 and 8 to 13 of the Listing Rules. The Company will comply with the Listing Principles set out in Chapter 7 of the Listing Rules which apply to all companies with their securities admitted to the Official List. In addition, the Company also intends, from Admission, to comply with the Premium Listing Principles notwithstanding that they only apply to companies which obtain a Premium Listing on the Official List. The Company is not, however formally subject to such Premium Listing Principles and will not be required to comply with them by the UK Listing Authority.

Listing Rules which are not applicable to a Standard Listing

Such non-applicable Listing Rules include, in particular:

- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. In particular, the Company is not required to appoint a sponsor in relation to the publication of this document or Admission;
- Chapter 9 of the Listing Rules relating to further issues of shares, issuing shares at a discount in excess of ten (10) per cent. of market value, notifications and contents of financial information;
- Chapter 10 of the Listing Rules relating to significant transactions which requires Shareholder consent for certain acquisitions;
- Chapter 11 of the Listing Rules regarding related party transactions.
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

Listing Rules with which the Company must comply under a Standard Listing

There are, however, a number of continuing obligations set out in Chapter 14 of the Listing Rules that will be applicable to the Company. These include requirements as to:

- the forwarding of circulars and other documentation to the UKLA for publication through the document viewing facility and related notification to a regulatory information service;
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the UKLA in relation to compliance with the Listing Rules and the Disclosure Guidance and Transparency Rules;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- the making of regulatory information service notifications in relation to a range of debt and equity capital issues; and
- the requirement for at least 25 per cent. of the Ordinary Shares to be in public hands.

In addition, as a company whose securities are admitted to trading on a regulated market, the Company will be required to comply with the Disclosure Guidance and Transparency Rules.

It should be noted that the UK Listing Authority will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules or those aspects of the Disclosure Guidance and Transparency Rules (including the Market Abuse Regulation) which the Company is either obliged to comply with or has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.

Part 3

Presentation of Financial and Other Information

1. General

No person has been authorised to give any information or to make any representations in connection with Admission other than the information and representations contained in this document and, if any other information is given or representations are made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company or the Directors.

The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding Admission, the Ordinary Shares or the Company. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. Without prejudice to any obligation of the Company under the FSMA, the Prospectus Rules, the Listing Rules or the Disclosure Guidance and Transparency Rules, the delivery of this document shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

The contents of this document or any subsequent communications from the Company or any of its respective affiliates, officers, advisers, directors, employees or agents are not to be construed as advice on legal, business, taxation, accounting, regulatory, investment or any other matters. Each investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice, as appropriate.

This document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, any Ordinary Shares by any person in any jurisdiction.

The Ordinary Shares have not been, and will not be registered under the United States Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada, Japan, South Africa or the Republic of Ireland.

Investors should read this document in its entirety.

2. Presentation of financial information

The financial information presented in this document comprises audited financial information for the Company for the period from incorporation on 23 May 2018 to 31 May 2018.

The non-statutory financial information has been prepared in accordance with IFRS.

3. Non-financial information operating data

The non-financial operating data included in this document has been extracted without material adjustment from the management records of the Company and is unaudited.

4. Currencies

In this document, references to “pounds sterling”, “GBP”, “£”, “pence” or “p” are to the lawful currency of the UK, references to “US Dollars”, “US\$” or “\$” are to the lawful currency of the United States, and references to “Renminbi” or “RMB” are to the lawful currency of People’s Republic of China. The basis of translation of any foreign currency transactions and amounts in the financial information set out in Part 10 “Historical Financial Information” is described in that part.

5. Rounding

Percentages and certain amounts in this document, including financial, statistical and operating information, have been rounded to the nearest whole number or single decimal place for ease of presentation. As a

result, the figures shown as totals may not be the precise sum of the figures that precede them. In addition, certain percentages and amounts contained in this document reflect calculations based on the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages or amounts that would be derived if the relevant calculations were based upon the rounded numbers.

6. Third party information

The Company confirms that all third party information contained in this document has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third party information has been used in this document, the source of such information has also been identified.

7. No incorporation of website

The contents of the Company's website, any website mentioned in this document or any website directly or indirectly linked to these websites have not been verified and do not form part of this document and investors should not rely on such information.

8. Definitions

A list of defined terms and technical terms used in this document is set out in Part 15 "Definitions".

9. Forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "target", "plan", "continue" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Company concerning, amongst other things, the investment objectives and policies, financing strategies, performance, results of operations, financial condition, prospects, and dividend policy of the Company and the markets in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, financial condition, dividend policy and the development of its financing and operational strategies may differ materially from the impression created by the forward-looking statements contained in this document. In addition, even if the performance, results of operations, financial condition and dividend policy of the Company, and the development of its financing and operating strategies, are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of actual results or developments.

Important factors that could cause these differences include, but are not limited to, the risk factors (which are not exhaustive) set forth above in Part 1 "Risk Factors".

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. In addition, even if the Company's results of operations and financial condition, and the development of the industry in which the Company operates, are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods.

Investors are cautioned that forward-looking statements are not guarantees of future performance. The Company makes no representation, warranty or prediction that the results predicted by such forward-looking statements will be achieved and these forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this

document speak only as at the date of this document, reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's operations, results of operations, growth strategy, liquidity and the availability of new credit. Investors should specifically consider the factors identified in this document that could cause actual results to differ. All of the forward-looking statements made in this document are qualified by these cautionary statements.

Subject to the requirements of the Prospectus Rules, the Disclosure Guidance and Transparency Rules and the Listing Rules, or applicable law, the Company explicitly disclaims any intention or obligation or undertaking publicly to release the result of any revisions to any forward-looking statements in this document that may occur due to any change in the Company's expectations or to reflect events or circumstances after the date of it.

Any explanatory wording in this document which refers to forward-looking statements does not in any way seek to qualify the working capital statement at paragraph 11 of Part 14.

Part 4

Summary of Cayman Islands Company Law

The Company is incorporated in the Cayman Islands subject to Cayman Companies Law and, therefore, operates subject to Cayman law. Set out below is a summary of certain provisions of Cayman Companies Law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of Cayman Companies Law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar:

Operations

As an exempted company, the Company's operations must be conducted mainly outside the Cayman Islands. The Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorised share capital.

Share capital

Cayman Companies Law provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those shares shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. Cayman Companies Law provides that the share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association in (a) paying distributions or dividends to members; (b) paying up unissued shares of the company to be issued to members as fully paid bonus shares; (c) the redemption and repurchase of shares (subject to the provisions of section 37 of Cayman Companies Law); (d) writing-off the preliminary expenses of the company; and (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course business.

Cayman Companies Law provides that, subject to confirmation by the Grand Court of the Cayman Islands, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, by special resolution reduce its share capital in any way.

The Articles includes certain protections for holders of special classes of shares, requiring their consent to be obtained before their rights may be varied. The consent of the specified proportions of the holders of the issued shares of that class or the sanction of a resolution passed at a separate meeting of the holders of those shares is required.

Financial assistance to purchase shares of a company or its holding company

Subject to all applicable laws, the Company may give financial assistance to Directors and employees of the Company, its subsidiaries, its holding company or any subsidiary of such holding company in order that they may buy shares in the Company or shares in any subsidiary or holding company. Further, subject to all applicable laws, the Company may give financial assistance to a trustee for the acquisition of shares in the Company or shares in any such subsidiary or holding company to be held for the benefit of employees of the Company, its subsidiaries, any holding company of the Company or any subsidiary of any such holding company (including salaried Directors).

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company to another person for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

Purchase of shares and warrants by a company and its subsidiaries

Subject to the provisions of Cayman Companies Law, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder and Cayman Companies Law expressly provides that it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. However, if the articles of association do not authorise the manner and terms of purchase, a company cannot purchase any of its own shares unless the manner and terms of purchase have first been authorised by an ordinary resolution of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares purchased by a company shall be treated as cancelled unless, subject to the memorandum and articles of association of the company, the directors of the company resolve to hold such shares in the name of the company as treasury shares prior to the purchase. Where shares of a company are held as treasury shares, the company shall be entered in the register of members as holding those shares, however, notwithstanding the foregoing, the company shall not be treated as a member for any purpose and shall not exercise any right in respect of the treasury shares, and any purported exercise of such a right shall be void, and a treasury share shall not be voted, directly or indirectly, at any meeting of the company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the company's articles of association or Cayman Companies Law. Further, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made to the company, in respect of a treasury share.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases and the directors of a company may rely upon the general power contained in its memorandum of association to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

Dividends and distributions

With the exception of section 34 of the Cayman Companies Law, there is no statutory provisions relating to the payment of dividends. Based upon English case law, which is regarded as persuasive in the Cayman Islands, dividends may be paid only out of profits. In addition, section 34 of Cayman Companies Law permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account.

Protection of minorities

The Cayman Islands courts ordinarily would be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (a) an act which is ultra vires the company or illegal, (b) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company, and (c) an irregularity in the passing of a resolution which requires a qualified (or special) majority.

In the case of a company (not being a bank) having a share capital divided into shares, the Grand Court of the Cayman Islands may, on the application of members holding not less than one fifth (1/5) of the ordinary shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Grand Court of the Cayman Islands shall direct.

Any shareholder of a company may petition the Grand Court of the Cayman Islands which may make a winding up order if the Grand Court of the Cayman Islands is of the opinion that it is just and equitable that the company should be wound up or, as an alternative to a winding up order, (a) an order regulating the conduct of the company's affairs in the future, (b) an order requiring the company to refrain from doing or continuing an act complained of by the shareholder petitioner or to do an act which the shareholder petitioner has complained it has omitted to do, (c) an order authorising civil proceedings to be brought in the name and on behalf of the company by the shareholder petitioner on such terms as the Grand Court of the Cayman Islands may direct, or (d) an order providing for the purchase of the ordinary shares of any shareholders of the company by other shareholders or by the company itself and, in the case of a purchase by the company itself, a reduction of the company's capital accordingly.

Generally claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

Management

Cayman Companies Law contains no specific restrictions on the power of directors to dispose of assets of a company. However, as a matter of general law, every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Accounting and auditing requirements

A company shall cause proper books of account to be kept with respect to (i) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company; and (iii) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

Exchange control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

Taxation

Pursuant to section 6 of the Tax Concessions Law (2018 Revision) of the Cayman Islands, the Company has applied for an undertaking from the Governor-in-Cabinet that (1) no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciation shall apply to the Company or its operations; and (2) that the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable on or in respect of the shares, debentures or other obligations of the Company.

The undertaking (once issued) for the Company will usually be for a period of twenty years.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are a party to a double tax treaty entered into with the United Kingdom in 2010 but otherwise is not party to any double tax treaties.

Stamp duty on transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

Loans to directors

There is no express provision in the Cayman Companies Law prohibiting the making of loans by a company to any of its directors.

Inspection of corporate records

Members of a Cayman Islands exempted company will have no general right under Cayman Companies Law to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles.

An exempted company may maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as the directors may, from time to time, think fit. A branch register shall be kept in the same manner in which a principal register is by Cayman Companies Law required or permitted to be kept. An exempted company shall cause to be kept at the place where the company's principal register is kept a duplicate of any branch register duly entered up from time to time. There is no requirement under Cayman Companies Law for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of members, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law of the Cayman Islands.

Winding up

A company may be wound up compulsorily by order of the Grand Court of the Cayman Islands voluntarily; or, under supervision of the Grand Court of the Cayman Islands. The Grand Court of the Cayman Islands has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the Grand Court of the Cayman Islands, just and equitable to do so.

A company may be wound up voluntarily when the members so resolve in general meeting by special resolution, or, in the case of a limited duration company, when the period fixed for the duration of the company by its memorandum or articles expires, or the event occurs on the occurrence of which the memorandum or articles provides that the company is to be dissolved, or, the company does not commence business for a year from its incorporation (or suspends its business for a year), or, the company is unable to pay its debts. In the case of a voluntary winding up, such company is obliged to cease to carry on its business from the time of passing the resolution for voluntary winding up or upon the expiry of the period or the occurrence of the event referred to above.

For the purpose of conducting the proceedings in winding up a company and assisting the Grand Court of the Cayman Islands, there may be appointed one or more than one person to be called an official liquidator or official liquidators; and the Grand Court of the Cayman Islands may appoint to such office such qualified person or persons, either provisionally or otherwise, as it thinks fit, and if more persons than one are appointed to such office, the Grand Court of the Cayman Islands shall declare whether any act hereby required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The Grand Court of the Cayman Islands may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the Grand Court of the Cayman Islands. A person shall be qualified to accept an appointment as an official liquidator if he is duly qualified in terms of the Insolvency Practitioners Regulations. A foreign practitioner may be appointed to act jointly with a qualified insolvency practitioner.

In the case of a members' voluntary winding up of a company, the company in general meeting must appoint one or more liquidators for the purpose of winding up the affairs of the company and distributing its assets.

A declaration of solvency must be signed by all the directors of a company being voluntarily wound up within twenty-eight (28) days of the commencement of the liquidation, failing which, its liquidator must apply to Grand Court of the Cayman Islands for an order that the liquidation continue under the supervision of the Grand Court of the Cayman Islands.

Upon the appointment of a liquidator, the responsibility for the company's affairs rests entirely in his hands and no future executive action may be carried out without his approval. A liquidator's duties are to collect the assets of the company (including the amount (if any) due from the contributories), settle the list of creditors and, subject to the rights of preferred and secured creditors and to any subordination agreements or rights of set-off or netting of claims, discharge the company's liability to them (*pari passu* if insufficient assets exist to discharge the liabilities in full) and to settle the list of contributories (shareholders) and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

As soon as the affairs of the company are fully wound up, the liquidator must make up an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof. At least twenty-one (21) days before the final meeting, the liquidator shall send a notice specifying the time, place and object of the meeting to each contributory in any manner authorised by the company's articles of association and published in the Gazette in the Cayman Islands.

Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by a majority in number representing 75 per cent. in value of shareholders or class of shareholders or creditors, as the case may be, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting shareholder would have the right to express to the Grand Court of the Cayman Islands his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Grand Court of the Cayman Islands is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management.

Takeovers

There are no provisions under the laws of the Cayman Islands which are equivalent to the provisions of the City Code and the protections it provides to shareholders.

Compulsory acquisition

Where an offer is made by a company for the shares of another company and, within four (4) months of the offer, the holders of not less than 90 per cent. of the shares which are the subject of the offer accept, the offeror may at any time within two (2) months after the expiration of the said four (4) months, by notice in the prescribed manner require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Grand Court of the Cayman Islands within one (1) month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Grand Court of the Cayman Islands should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the court to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime).

Part 5

Directors, Secretary, Registered Office and Advisers

Directors	John McLean OBE, <i>Independent Non-Executive Chairman*</i> Zhu Xingchen, <i>Executive Director</i> Zhang Xiaojun, <i>Executive Director*</i> Professor Nicholas Petford, <i>Independent Non-Executive Director*</i> Norman Cumming, <i>Independent Non-Executive Director*</i> <i>*appointment as Director will become effective on Admission</i>
Company Secretary	Nigel Cartwright
Registered office of the Company	Cricket Square Hutchins Drive PO Box 2681 Grand Cayman KY1-1111 Cayman Islands
Financial Adviser and Broker	Allenby Capital Limited 5 St Helen's Place London EC3A 6AB United Kingdom
Listing Coordinator	L&S Capital Limited 3rd Floor 166 College Road Harrow Middlesex HA1 1BH United Kingdom
Auditors & Reporting Accountant	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB United Kingdom
English Legal Advisers to the Company	Stephenson Harwood LLP 18/F United Centre 95 Queensway Hong Kong
Cayman Islands Legal Adviser to the Company	Conyers Dill & Pearman Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands

**English Legal Advisers to the
Financial Adviser**

DMH Stallard LLP
6 New Street Square
New Fetter Lane
London
EC4A 3BF
United Kingdom

Registrars

Computershare Investor Services (Cayman) Limited
Winward 1, Regatta Office Park West Bay Road
Grand Cayman KY1-1103
Cayman Islands

Depositary

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS13 8AE
United Kingdom

Principal Bankers

Oversea-Chinese Banking Corporation Limited
OCBC Bank 65 Chulia Street
OCBC Centre
Singapore
049513

Company website

<http://starcrestededucation.com/>

Part 6

Expected Timetable of Principal Events

Publication of this document	28 January 2019
Admission to the Official List	31 January 2019
CREST members' accounts credited in respect of Depositary Interests	31 January 2019
Certificates for Ordinary Shares held in certificated form despatched	5 February 2019

These dates are indicative only, subject to change and may be brought forward as well as moved back, in which case new dates will be announced.

Admission Statistics

Number of Ordinary Shares in issue at the date of this document	800,000
Number of Original Subscription Shares being issued	15,370,000
Number of Admission Subscription Shares being issued	5,390,000
Number of Ordinary Shares in issue on Admission	21,560,000
Approximate percentage of Enlarged Share Capital on Admission held by the Original Subscriber	75 per cent.
Subscription Price	20 pence
Net Proceeds of the Subscriptions ^{Note}	£3.590 million
Market capitalisation of the Company on Admission	£4.160 million

Dealing Codes

ISIN	KYG843791099
SEDOL	BJ2KD34
LEI	213800R5ZOHS5SZZCT67
TIDM	OBOR

Note:

Includes net proceeds of the Original Subscription and the Admission Subscription.

Part 7

The Business

Investors should read this Part 7 “The Business” in conjunction with the more detailed information contained in this document, including the financial and other information appearing in Part 10 “Historical Financial Information”.

Background

The Company is a newly formed entity established to seek acquisition opportunities in the international education sector. The Company was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on 23 May 2018. The Company has never traded and, save as set out in this document, has not entered into any significant transactions or financial commitments.

The Company intends to capture opportunities arising from the “One Belt, One Road” (“**OBOR**”) initiative and to provide top quality education services and products to countries in Europe. The Board has extensive experience of doing business in the education industry, particularly in the higher education sector in Europe. They have established a network of contacts internationally within the education industry. Some of the Directors also have extensive experience in corporate acquisitions and capital markets. The Company will utilise independent third parties to provide expert advice where necessary.

The Company is seeking admission of the Ordinary Shares to the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and applying to the London Stock Exchange for the Ordinary Shares to be admitted to trading on its Main Market. In conjunction with this, the Company has raised gross proceeds of approximately £4.152 million (Net Proceeds of approximately £3.590 million) through the Subscriptions, involving: (i) the issue of Ordinary Shares as part of the Original Subscription conditional on Admission, further details of which are set out in Part 14; and (ii) the issue of the Subscription Shares, conditional on Admission, to new investors.

On Admission, the Company will have no assets other than cash on bank deposit. The Company does not have any secured, unsecured or unguaranteed indebtedness, including direct and contingent indebtedness.

The OBOR initiative

The OBOR initiative is a foreign policy and economic strategy of China. The term derives from the Silk Road, the ancient trade route, and encompasses the overland ‘Silk Road Economic Belt’ and the ‘21st-Century Maritime Silk Road’, concepts introduced by Chinese President Mr. Xi Jinping in 2013. These are the two major axes along which China proposes to economically link Europe to China through countries across Eurasia and the Indian Ocean. The OBOR initiative also links to Africa and Oceania^{Note}.

Routes of the China-proposed One Belt, One Road Initiative



Note:

Parliament of Australia. 2017. China's ‘One Belt, One Road’ initiative. ONLINE Available at: https://www.apf.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BriefingBook45p/ChinasRoad. Accessed 23 July 2018.

China has already set up the Silk Route Fund and injected approximately US\$40 billion worth of initial funds to support projects under the OBOR initiative. In March 2017, private investors in China set up the Green Silk Road fund with an initial capital of approximately Renminbi (“RMB”) 30 billion or \$4.4 billion. Total infrastructure investment as part of the OBOR initiative is estimated to exceed \$1 trillion, and if its objectives are achieved, the initiative would involve 65 countries (which account for about 40 per cent. of the world’s gross domestic product), with the OBOR initiative impacting about 4.4 billion persons across the world⁽¹⁾.

Opportunities within the education industry

The Directors are fully aware of the enormous potential and fast changing nature of the international education industry and the opportunities arising from the OBOR initiative.

By the end of 2016, Chinese universities had established four joint venture institutes approved by the Chinese Ministry of Education and 98 education projects in 14 countries, most of which are situated along the OBOR countries. Around 60 per cent. of Chinese government scholarships in 2016 were awarded to students from OBOR countries⁽²⁾.

By November 2017, the Chinese Ministry of Education had signed OBOR education agreements with 13 Chinese provinces, covering almost all Chinese regions participating in OBOR. In 2015, Xi’an Jiaotong University in Shanxi province established the “University Alliance of the Silk Road” to serve as a platform for higher education cooperation among the OBOR countries. By November 2017 this alliance’s members included 135 universities from 36 countries and regions⁽³⁾.

Domestically within China, the education market is also growing sharply, especially in the higher education sector. According to a report prepared by Frost & Sullivan, the higher education industry in China has experienced steady growth over the past few years. Data collected by National Bureau of Statistics of China and the Chinese Ministry of Education shows that the total revenues generated by China’s higher education industry increased from approximately RMB780.2 billion (US\$114.5 billion) in 2012 to approximately RMB1,010.9 billion (US\$148.4 billion) in 2016 and are expected to further increase to approximately RMB1,395.2 billion (US\$204.8 billion) in 2021. The number of student’s enrolling in higher education in China steadily increased from approximately 25.6 million in 2012 to approximately 28.9 million in 2016 and is expected to further increase to 33.0 million in 2021⁽⁴⁾.

The Company’s strategy

The Directors will devise and adopt a business model in the education sector that will (i) fully utilise the strength, scope and expertise of their education network and resources; (ii) take advantage of the policy and funding support under the OBOR initiative; (iii) provide high quality Chinese education and training to foreign employees of Chinese companies operating outside of China; and (iv) introduce mature and advanced education resources into the Chinese market.

The Company is inspired by the vision of the Chinese government shown in its OBOR initiative and would like to provide high quality services in the education sector through the business(es) acquired by the Company along the OBOR routes. The extensive contacts of the Directors in Asia and Europe are expected to enable the Company to search for and acquire suitable businesses for the provision of these education services. Once a target has been acquired, the Company’s strategy will focus on the provision of intellectual support as well as skills and/or workforce training for companies operating within the OBOR sphere. It will also consider other opportunities within the education industry in their widest sense. It will work with the best in-class education services providers to provide pre-school, K-12, post-secondary and tutoring

Notes:

⁽¹⁾ Frost & Sullivan. 2017. The One Belt One Road Initiative and its Implications for China and the Rest of the World. ONLINE Available at: <https://ww2.frost.com/frost-perspectives/one-belt-one-road-initiative-and-its-implications-china-and-rest-world/>. Accessed 23 July 2018.

⁽²⁾ Australia Department of Education and Training. 2017. China’s Belt and Road Initiative – Education. ONLINE Available at: <https://internationaleducation.gov.au/International-network/china/PolicyUpdates-China/Pages/Chinas-Belt-and-Road-Initiative-.aspx>. Accessed 23 July 2018.

⁽³⁾ Australia Department of Education and Training. 2017. China’s Belt and Road Initiative – Education. ONLINE Available at: <https://internationaleducation.gov.au/International-network/china/PolicyUpdates-China/Pages/Chinas-Belt-and-Road-Initiative-.aspx>. Accessed 23 July 2018.

⁽⁴⁾ HKEX. 2017. China Education Group Holdings Limited IPO prospectus. ONLINE Available at: http://www.hkexnews.hk/listedco/listconews/advancedsearch/search_active_main.aspx. Accessed 23 July 2018.

education as well as with teaching material developers to provide digital content and instructional solutions, distance learning and other technology-enhanced modes of delivery. The Company will also provide professional advice to allied education service support providers in areas including, but not limited to, student travel, enrolment management and continuing professional development. The Company's overall strategic objective is to provide innovative solutions that add value to students, employers and the wider society in OBOR countries and beyond.

Company objective

Business strategy – acquisitions

The Company was established to undertake the acquisition of one or more European based schools implementing the International Baccalaureate (IB) program.

The Company has not identified a specific target for its first Acquisition at this stage. While there is no restriction as to the geographical location of the targets, it will primarily search for acquisition opportunities of companies and/or businesses in Europe which, in the opinion of the Directors have potential for long-term growth. A tailor-made acquisition strategy will be formulated by the Company based on the characteristics of different targets.

The Company will seek to acquire entities which:

- fit the geography and ethos of the OBOR initiative;
- enjoy local market demand;
- have the capacity to satisfy market demand anticipated from demographic projections; and
- are committed to working ethically in pursuit of the Company's wider strategic aims of promoting and delivering high quality education and skills development.

The criteria set out above are those which the Directors believe to be important in evaluating a prospective target company or business. The list is not intended to be exhaustive. Any evaluation relating to the merits of a particular acquisition will be based on, to the extent relevant, the above factors as well as other considerations deemed relevant to the Company's business objectives and strategy. The Company's focus will initially concentrate on obtaining a controlling interest in one or more target entities.

Operationally, the Company will first conduct a due diligence assessment of the acquisition targets. A more in-depth investigation will be carried out in accordance with best practices employed in the UK and/or elsewhere. The Company will budget for and set aside funds for due diligence investigations once suitable targets have been identified.

The Directors consider that as acquisitions are made and new acquisition opportunities arise, further funding of the Company is likely to be required. The Directors also consider that the potential vendors of target companies and/or businesses will be attracted by the opportunity to hold shares in a London-listed company. As stated above, consideration for an acquisition will be determined on a case-by-case basis following completion of the appropriate due diligence and within the Company's financial capabilities. Such consideration may be in the form of cash or equity (that is, the issue of new Ordinary Shares to sellers of a target or business) or a combination of both. If a vendor requires all or part of the sale consideration to be settled in cash, the Company may, if the Directors deem it appropriate and if required, issue additional Ordinary Shares (to fund working capital or as transaction consideration) or seek debt financing (in the form of bank loans secured on the assets of the target company and/or Company) in order to finance the Acquisition. In structuring an Acquisition, after taking into account the form and manner in which the consideration is paid, the Company and the Board will ensure that the Company will continue to have sufficient working capital for the 12 month period after the Acquisition and that at least 25 per cent. of the Ordinary Shares are held in public hands.

Until such time as an Acquisition is made, it is not possible to determine in which currencies the Company's business may be conducted and denominated, other than pounds sterling.

Acquisition opportunities

Given the Board's network in the education industry in Asia and Europe as well as its extensive experience in corporate acquisitions and capital markets, the Board will be able search for appropriate acquisition opportunities in the education sphere. The Board will start investigating a number of acquisition targets following Admission. Whilst it is not possible to state when the first Acquisition will be completed, the Directors hope to conclude a transaction as soon as possible after Admission.

Business strategy – post-Acquisition

Following the completion of an Acquisition, the Company intends to participate in the management of the acquired business and adopt an operational strategy with the aim of generating value for its Shareholders. The acquired businesses will benefit from the Company's experience and advice, with the intention that Shareholders will enjoy higher returns from the expansion of the Company's business after a series of Acquisitions. In the event that any Acquisition constitutes a "reverse takeover" under the Listing Rules, the Company's Listing on the Official List may be cancelled. However, it is expected that the Company will seek re-admission to the Official List and the Main Market once the Acquisition has completed.

Dividend policy

The Directors recognise the importance of dividends to investors and, as the Company's business matures, the Board will keep on reviewing the desirability of paying dividends. Following Admission, income generated by the Company is likely to be re-invested into the Company's business. In view of this, it is unlikely that the Board will recommend a dividend in the early years following Admission. There are no fixed dates for dividend payments by the Company and no dividends have been paid to date although, should the Company be in a position to declare a dividend in the future, it will consider this at that time. No dividends have been declared in respect of the period covered by the historical financial information.

The Subscriptions

Original Subscription

On 28 January 2019, the Company entered into a subscription agreement with the Original Subscriber, pursuant to which, the Company agreed to issue and the Original Subscriber agreed to subscribe for 15,370,000 Ordinary Shares in the Company for a cash consideration of £3,074,000 in connection with the Original Subscription. Such Ordinary Shares are to be issued conditional upon Admission and will rank *pari passu* with all other Ordinary Shares. At the date of this document, Starcrest Education holds all the issued Ordinary Shares being 800,000 Ordinary Shares at the date of this document.

The Admission Subscription

On 28 January 2019, the Company entered into subscription agreements with the Admission Subscribers, pursuant to which, the Company agreed to issue and the Admission Subscribers agreed to subscribe for 5,390,000 Ordinary Shares in the Company for a cash consideration of £1,078,000 in connection with the Admission Subscription. Such Ordinary Shares are to be issued conditional upon Admission and will rank *pari passu* with all other Ordinary Shares. The Admission Subscription will, upon Admission, result in a dilution of Starcrest Education's interest in the issued share capital of the Company to approximately 75 per cent. at Admission.

Further details of the Admission Subscription are set out in paragraph 1 of Part 8.

Capital resources and liquidity

The Company's initial source of cash will be the proceeds of the Subscriptions, the gross proceeds of which are approximately £4.152 million. It will partly use such cash to fund the expenses of Admission (including the costs of the Subscriptions). The Net Proceeds are also intended to be used to fund ongoing working capital and operating expenses (including Directors' fees) and the costs to be incurred in connection with seeking to identify and effect an Acquisition. The costs of an Acquisition will likely comprise legal, financial and tax due diligence in relation to the target company or business and other legal and financial costs in relation to the Acquisition.

The Company may make an Acquisition or fund part of an Acquisition by way of the issue of consideration shares in the Company. In addition to any share consideration used by the Company in relation to an Acquisition, the Company may raise additional capital from time to time in connection with an Acquisition. Such capital may be raised through share issues (such as rights issues, open offers or private placings) or borrowings. The pre-emption rights in the Articles have been waived, subject to Admission (a) for the purposes of or in connection with the Admission Subscription; (b) for the purposes of an Acquisition (including in respect of consideration payable for an Acquisition, in cash); and (c) generally, and in addition, for such purposes as the Directors think fit, in relation to the issue of Ordinary Shares up to an aggregate nominal amount equal to 50 per cent. of the aggregate nominal amount of the Ordinary Shares in issue (as at the close of business on the first business day following Admission).

Most of the cash in the Company and to be raised in connection with the Admission Subscription is expected to be used for working capital purposes. Following the Acquisition, the Company's future liquidity will depend, in the medium to longer term, primarily on: (i) the profitability of any company or business it acquires; (ii) the Company's management of available cash; (iii) cash distributions on the sale of acquired assets; (iv) the use of borrowings, if any, to fund short-term liquidity needs; and (v) dividends or distributions from subsidiary companies when established.

If an Acquisition has not been announced within two years of Admission, Shareholders will be consulted as to the ongoing direction and activities of the Company. In the event that the Company is wound up, any capital available for distribution will be returned to Shareholders in accordance with the Articles, it being noted that there can be no assurance as to the value of the remaining assets of the Company at such time and that, as a result of costs and expenses incurred by the Company, Shareholders may receive back less than they invested. A Special Resolution of Shareholders, requiring a majority of not less than three quarters of the votes cast, is required to voluntarily wind up the Company.

Use of proceeds

The Company's principal use of cash will be as working capital. The Company's current intention is to retain earnings for use in its business operations and it does not anticipate declaring any dividends in the foreseeable future. Following an Acquisition and in accordance with the Company's business strategy and applicable laws, it expects to make distributions in due course to Shareholders in accordance with the Company's dividend policy. However, the Company will incur day-to-day expenses that will need to be funded.

Initially, the Company expects these expenses will be funded through the proceeds of the Admission Subscription (and income earned on such funds, if any). Such expenses are anticipated to include:

- transaction costs as well as the costs relating to re-admission of the Ordinary Shares to the Official List and Main Market following an Acquisition including all due diligence costs and legal and accounting costs; and
- Directors' remuneration and fees currently amounting to £155,000 per annum.

CAPITALISATION AND INDEBTEDNESS

The following tables show the Company's capitalisation and indebtedness as at 31 May 2018 and 30 November 2018 respectively.

The Company was incorporated on 23 May 2018. Save for the publication of this document and the matters described herein, it has not commenced operations and no income has been received to date. No expenses relating to professional or associated expenses in connection with the establishment of the Company and Admission were incurred from incorporation to 31 May 2018.

This section should be read in combination with Part 10 "Historical Financial Information" of this document.

	<i>31 May 2018</i>
	£
Capitalisation	
Share capital	7,519
Other reserves	—
	<hr/>
Total capitalisation	<u>7,519</u>

On 18 December 2018, the Company repurchased and cancelled the issued ordinary share capital of US\$10,000 of US\$1 each. On the same date the Company issued 800,000 Ordinary Shares at nominal value of £0.01 each. On Admission, the Company issued a further 20,760,000 ordinary shares at £0.20 each, for an aggregate consideration of £4,152,000 in cash.

The aggregate nominal value of the issued share capital and paid up share premium of the Company on Admission was £4,160,000 consisting of 21,560,000 Ordinary Shares.

	<i>30 November 2018</i>
	£
Total current debt	
Guaranteed	—
Secured	—
Unguaranteed/unsecured	—
	<hr/>
	—
	<hr/>
Total non-current debt	
Guaranteed	—
Secured	—
Unguaranteed/unsecured	—
	<hr/>
	—
	<hr/>
Total indebtedness	<u>—</u>

There has been no material change in the Company's indebtedness from 30 November 2018 to the date of this document.

The table below sets out the Company's net indebtedness as at 30 November 2018.

	<i>30 November 2018 £</i>
Cash	4,026,125
Cash equivalents	–
Trading securities	–
Liquidity	<u>4,026,125</u>
Current financial receivable	–
Current bank debt	–
Current portion of non-current debt	–
Other current financial indebtedness	–
Current financial debt	<u>–</u>
Net current financial indebtedness	4,026,125
Non-current bank loans	–
Bonds issued	–
Other non-current financial debt	–
Non-current financial indebtedness	<u>–</u>
Net financial indebtedness	<u><u>4,026,125</u></u>

As at 30 November 2018, the Company had US\$5,140,241 cash held in bank. This has been converted to Pounds Sterling (£) using the closing exchange rate £/\$1.2767 on 30 November 2018.

The information as at 30 November 2018 is unaudited.

The Company has no indirect and contingent indebtedness.

Part 8

Admission Subscription

1. Description of the Admission Subscription

Under the Admission Subscription, 5,390,000 Ordinary Shares have been conditionally subscribed for by Admission Subscribers at the Subscription Price of 20 pence per Ordinary Share. Together with the proceeds of the Original Subscription by Starcrest Education, this will result in the Company conditionally raising gross proceeds of approximately £4.152 million.

The Net Proceeds to the Company amount to approximately £3.590 million, after deduction of fees and expenses payable by the Company which are related to the Subscriptions and Admission. The Admission Subscription is conditional on Admission. If Admission does not proceed, the Admission Subscription will not be completed and all monies paid will be refunded to the applicants.

In accordance with Listing Rule 14.3, at Admission at least 25 per cent. of the Ordinary Shares will be in public hands (as defined in the Listing Rules).

2. Admission, dealings and CREST

The Admission Subscription is subject to the satisfaction of conditions contained in the Subscription Agreements, including Admission occurring on or before 31 March 2019. Further details of the Subscription Agreements are set out in paragraph 12 of Part 14 of this document.

Admission is expected to take place and unconditional dealings in the Ordinary Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 31 January 2019. All dealings between the commencement of conditional dealings and the commencement of unconditional dealings will be on a “when issued basis”. If the Admission Subscription does not become unconditional in all respects, any such dealings will be of no effect and any dealings will be at the risk of the parties concerned.

Where applicable, definitive share certificates in respect of the Ordinary Shares are expected to be despatched, by post at the risk of the recipients, to the relevant holders, by not later than 5 February 2019. The Ordinary Shares are in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any Ordinary Shares which are held in certificated form, transfers of Ordinary Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

When admitted to trading, the Ordinary Shares will have an ISIN of KYG843791099 and a SEDOL of BJ2KD34.

3. Rights attaching to the Ordinary Shares

The rights attaching to the Ordinary Shares subscribed for under the Admission Subscription will be uniform in all respects with each other and the other issued Ordinary Shares and all of the Ordinary Shares will form a single class for all purposes.

4. Pricing

The Ordinary Shares subscribed for under the Admission Subscription are priced at a premium to net asset value (post Admission) of approximately 20 pence per share. The net asset value reflects the cash balances of the Company, as the Company has no further assets until an Acquisition is completed. The premium to net asset value places intangible value on the strategy proposed by the Board and the human capital contained in the Board, as well as reflecting the costs incurred in completing the Subscriptions and Admission. At the Subscription Price, the Enlarged Share Capital will have a total value of £4,312,000. No expenses relating to Admission are being charged to Subscribers.

5. Payment

Each Subscriber has undertaken to pay the Subscription Price for the Ordinary Shares being subscribed for in such manner as shall be directed by the Company. Liability for stamp duty and stamp duty reserve tax is as described in Part 13 of this document.

If Admission does not occur, subscription monies will be returned without interest by the Company.

6. Use of proceeds

The gross proceeds of the Subscriptions will be used to pay the expenses of Admission (including the costs of the Subscriptions) and the Net Proceeds will be used to further the Company's objective of making one or more Acquisitions. As stated above, in making any Acquisition, the Company will focus on the acquisition of at least controlling interests in companies, businesses and/or assets in the education sector.

The Directors intend to use the Net Proceeds to fund the due diligence and other transaction costs in respect of an Acquisition. This due diligence will include a legal, financial, technical and operational evaluation of the Acquisition.

7. Lock-in and orderly market arrangements

On 28 January 2019, each of the Covenantors entered into a Lock-in and Orderly Market Agreement with the Company and Allenby, whereby each Covenantor undertook (save as agreed in advance with Allenby) that he would not, and would procure that his Related Parties would not, dispose of any of their respective interests in Ordinary Shares held by Starcrest Education immediately following Admission (and Ordinary Shares derived from them) or dispose of any interest in such Related Parties, for a period of twelve (12) months from Admission subject to certain exceptions ("**Lock-in Period**"). In the event a Covenantor or his Related Party intends to dispose of any interest in the Ordinary Shares or in a Related Party during the twelve (12) month period following the Lock-in Period, such disposal shall only be conducted with the approval of and (in the case of a disposal of Ordinary Shares) through Allenby; and only if Allenby is of the opinion that such disposal would not give rise to a disorderly market in the Ordinary Shares (subject to certain exceptions). Further details on the Lock-in and Orderly Market Agreements are set out in paragraph 12.7 of Part 14.

8. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission and it is expected that the Ordinary Shares will be admitted with effect from that time. Depositary Interests will be admitted to and settled through CREST, where Subscribers choose to settle interests in the Ordinary Shares through the CREST system as set out in Part 12 of this document. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Subscriber so wishes.

CREST is a voluntary system and Subscribers who wish to receive and retain certificates for their Ordinary Shares will be able to do so. A Subscriber applying for Ordinary Shares as part of the Admission Subscription may elect to receive Ordinary Shares in uncertificated form, if such Subscriber is a system-member (as defined in the Regulations) in relation to CREST.

9. Selling restrictions

The Ordinary Shares will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the US and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or in the US.

10. Transferability

The Company's Ordinary Shares, consisting of both the existing Ordinary Shares and the Ordinary Shares to be issued pursuant to the Subscriptions, are freely transferable and there are no restrictions on transfer.

Part 9

Directors and Corporate Governance

Directors

The following table lists the names, positions and ages of the Directors of the Company:

<i>Name</i>	<i>Age</i>	<i>Position</i>
John McLean OBE	65	Independent Non-Executive Chairman
Zhu Xingchen	44	Executive Director
Zhang Xiaojun	44	Executive Director
Professor Nicholas Petford DSc	57	Independent Non-Executive Director
Norman Cumming	62	Independent Non-Executive Director

Zhu Xingchen became a Director of the Company on 23 May 2018 and the remaining Directors were appointed Directors of the Company, conditional on Admission, on 28 January 2019.

John McLean OBE, *Independent Non-Executive Chairman*

Mr. McLean OBE has extensive experience in corporate governance and business operations. Mr. McLean OBE is currently a board member of the China Britain Business Council and the vice chairman of the Institute of Directors for the City of London. He was the chair of VSO China, and a member of the VSO Federation Council. He has been active in the development of corporate governance initiatives between China and the UK. In 2017, he chaired a report on corporate governance improvements between China and the UK for the British Embassy in Beijing and The Foreign and Commonwealth Office. In 2007, he joined the board of Humberts Group Plc, an estate agent, and became its executive chairman to lead its rescue and ultimate disposal. Prior to this, he carried out a strategic review for Gamma Holdings NV of their UK interests, including Sanderson, a textile and wallpaper company, and as its UK group managing director successfully implemented the turnaround and disposal plan. In the 1990s, he was the finance director and subsequently promoted to general manager of Insurance Courier Services, a UK logistics and overnight courier business and co-led a management buy-out of the company with 3i Group Plc, prior to its successful disposal to Hays Plc. In addition, Mr. McLean OBE is a non-practising chartered accountant and was previously with Coopers & Lybrand in both London and New York. Mr. McLean OBE is the chairman of China Food Company Plc, a manufacturer and seller of cooking and dipping sauces in China. He is also the chairman of Sorbic International Plc, a Chinese sorbate producer and distributor. He resides in the UK.

Zhu Xingchen, *Executive Director*

Mr. Zhu has broad experience of operating businesses and making investments in the following sectors: manufacture of electrical equipment, education, culture and tourism. Mr. Zhu is the founder of Starcrest Education which has invested in education projects both within and outside China. Starcrest Education was established in 2015 in Guizhou, China for the purpose of education consulting, investment in the education industry and management of education businesses following international standards. It is dedicated to providing an education ecosystem that combines and connects advanced education management concepts and business models, and introducing high-quality education products and services as well as international education resources to the Chinese market. Mr. Zhu is also the executive chairman of Yu Die Holdings Group Company Limited, which participated in the “Colourful Guizhou Street—Out of Mountain Project”, a cultural and tourism project in Guiyang City Hua Xi, China. He resides in China.

Zhang Xiaojun, *Executive Director*

Mr. Zhang has led and was responsible for management of funds, investment and financing services and government liaison for investment into industry specific targets. He is the chief executive officer of Starcrest Education which has invested in education projects both within and outside China. During 2016 and 2017 he was the chief executive officer of First Capital Fund Management Limited, which is a private equity fund focusing on investment in the education industry and a subsidiary of the China First Capital Group Limited (Hong Kong Stock Code: 1269). In 2017, he accomplished a private investment in public equity (PIPE) deal

of approximately AUD 95.6 million in G8 Education Limited, the largest kindergarten chain in Australia. He worked at CITIC International Assets Management and CITIC YBN Capital during the period between 2006 and 2016. He later worked for Henan Management Henan Agricultural Development Investment Fund, one of the early industry specific funds established in China, as the general manager. He was also deeply involved in the establishment of seed funds under the Chongqing Industry Investment Fund. Two seed funds focusing on cultural and agricultural industries were successfully established. One of the projects funded by the seed fund invested in www.zbj.com, a website that provides one-stop business services required for setting up and running an enterprise.

Mr. Zhang graduated from Shenzhen University in 1996 and completed a bachelor degree of business (banking and finance) from Monash University in 2002. He also obtained a masters degree of commerce in funds management from the University of New South Wales in 2002. He resides in Australia.

Professor Nicholas Petford DSc, *Independent Non-Executive Director*

Professor Petford is Vice Chancellor and Chief Executive Officer of the University of Northampton, UK. He is a former Royal Society University Research Fellow and Fellow of Churchill College, Cambridge. A geologist by training, with a Doctor of Science (DSc) from the University of Liverpool, Professor Petford has worked in industry and on academic and commercial research projects throughout the world. He is currently a visiting professor at Macquarie University, Sydney and Communications University China in Beijing. He has an Honorary DSc from Amity University, India, and is a graduate of Harvard Business School.

Professor Petford is currently championing social enterprises and social entrepreneurship across the UK university sector and beyond. During his time as Vice Chancellor, the University of Northampton worked with partners such as Social Enterprise UK, Big Society Capital, Berenberg, Social Economy Alliance and UnLtd, an organisation that finds, funds and supports social enterprise and enterprises people with solutions that change society for the better. Professor Petford is a trustee of UnLtd. He has worked recently with the UK Cabinet Office to promote social value in procurement. The University of Northampton's overseas activities in this area include university partnership activities and collaborations with the British Council in South Korea, China, India, Egypt and Iraq. In 2017, under the leadership of Professor Petford, the University of Northampton was awarded the Social Enterprise Gold Mark in recognition of its excellence in a number of areas, including governance, business ethics, good business practice, social impact and financial transparency, and achieved a gold standard in the UK National Teaching Excellence Framework in recognition of its embedded approach to the involvement of students in research, scholarship and professional practice with strengths in community-based research and scholarship and sector-leading work on social enterprise.

Professor Petford has extensive experience serving on professional bodies at board level. He is chair of the Northamptonshire Health and Wellbeing Board and board member of the Universities and Colleges Employers' Association. He is a Fellow of the Geological Society and Royal Society of the Arts. He is also director of Fluvial Innovations Limited, a university spin-out company that manufactures and sells flood defence barriers. He currently resides in the UK.

Norman Cumming, *Independent Non-Executive Director*

Mr. Cumming is an experienced debt and equity market specialist advising global funds as well as serving on the investment committee of various organisations. He is a founding member of CR Global LLP, a global macro hedge fund investing across the world's bond and currency markets authorised by the FCA. He is a member of the investment committee of Clare College, Cambridge and a member of the investment advisory board of Stairway Partners LLC.

Over the past 30 years he has worked in various funds and was responsible for managing assets across different markets, maturities and credit quality, for institutional clients and mutual funds. He was a trustee and chairman of the investment committee of UnLtd and was responsible for overseeing all aspects of the investment of UnLtd's endowments across global equities, bonds, property and alternative assets. Prior to this Mr. Cumming acted as a non-executive director of MetLife Assurance Ltd. He was a partner at Makinson Cowell advising blue chip companies on their relationships with bond investors, and all capital markets. He was a founding partner of Brinson Partners which was acquired by Swiss Bank Corporation ("SBC") in 1995 before SBC merged with Union Bank of Switzerland in 1998. He was the Global Head of Fixed Income for UBS Global Asset Management having worked there and at its predecessor asset management firms for 14 years. He also worked at Shell International Petroleum Co. for six years and H.M. Treasury for four years.

Mr. Cumming graduated with a degree of 1st class honour in Economics from Clare College, Cambridge in 1977. He currently resides in the UK.

QCA Code

The Company will hold timely board meetings as issues arise which require the attention of the Board and will meet not less than four times per year. The Board is responsible for the management of the business of the Company, setting the strategic direction of the Company and establishing the policies of the Company. It is the Directors' responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company, on behalf of the Shareholders, to whom they are accountable. The primary duty of the Directors is to act in the best interests of the Company and its Shareholders. The Board also addresses issues relating to internal control and the Company's approach to risk management and has adopted an anti-corruption and bribery policy.

In assessing the composition of the Board, the Directors have had regard to the following principles:

- the Chairman should be an independent non-executive Director;
- the Board should include at least two independent non-executive directors, increasing where additional expertise is considered desirable in certain areas, or to ensure a smooth transition between outgoing and incoming non-executive directors; and
- the Board should comprise directors with an appropriate range of qualifications and expertise.

The Company believes it complies with each of these principles. The Company believes that prior to an Acquisition and given its existing size, the fact that the Board will include three (3) independent non-executive directors, will assist the Company's effort in promoting a culture of openness and debate and constructive relations between its Directors.

The Company will, to the extent practicable for a company of its size and nature, follow the QCA Code, and has established remuneration, nomination and audit committees each with their own terms of reference, the members of which are principally independent non-executive directors.

Memorandum and Articles

The Memorandum and the Articles will on Admission be appropriate for a company with a Standard Listing. The Company is incorporated as an exempted company under the laws of the Cayman Islands and is managed and controlled outside the United Kingdom. Accordingly, the Ordinary Shares are not subject to the provisions of the City Code and therefore Shareholders will not receive the benefit of the takeover offer protections provided by the City Code. A summary of the provisions of the Memorandum and the Articles are set out in paragraph 4 of Part 14. Subscribers should read the Memorandum and Articles in full and any Subscriber wishing to have a detailed summary of the Memorandum and Articles or Cayman Islands company law (or advice on the differences between it and the laws of any jurisdiction with which the Subscriber is more familiar) is recommended to seek independent legal advice.

Relationship Deeds

On 28 January 2019, the Company and Allenby entered into a Relationship Deed with each of Mr. Zhu, Mr. Zhang and the four Chinese individuals who are indirectly interested in the Ordinary Shares directly held by Starcrest Education (the "**Covenantors**"), who will at Admission be interested in Ordinary Shares, representing approximately 75 per cent. of the voting rights in the Company. Under the terms of the Relationship Deed, conditional on Admission, each of the Covenantors has given undertakings to ensure the independence and management of the Company in relation to the day-to-day management, affairs and governance of the Company. Pursuant to the Relationship Deeds, all transactions between the Covenantors and their Associates (as defined by reference to the Listing Rules and including the Related Parties) and the Company will be conducted at arm's length, on a normal commercial basis and approved by a majority of the Independent Non-Executive Directors (or any single Independent Non-Executive Director in the event the Company has only two such directors). In addition, no agreement between any of the Covenantors and/or their Associates and the Company can be varied, amended, waived or terminated unless approved in advance by a majority of the Independent Non-Executive Directors (or any single Independent Non-Executive Director in the event when the Company has only two such directors). More details of the Relationship Deeds are set out in paragraph 12.8 of Part 14.

Lock-in and Orderly Market Agreements

On 28 January 2019, each of the Covenantors entered into a Lock-in and Orderly Market Agreement with the Company and Allenby, whereby each Covenantor undertook (save as agreed in advance with Allenby) that he would not, and would procure that his Related Parties would not, dispose of any of his respective interests in Ordinary Shares held by Starcrest Education immediately following Admission (and Ordinary Shares derived from them) or dispose of any interest in such Related Parties, for a period of twelve (12) months from Admission subject to certain exceptions (“**Lock-in Period**”). In the event a Covenantor or his Related Party intends to dispose of any interest in the Ordinary Shares or in a Related Party during the twelve (12) month period following the Lock-in Period, such disposal shall only be conducted with the approval of and (in the case of a disposal of Ordinary Shares) through Allenby; and only if Allenby is of the opinion that such disposal would not give rise to a disorderly market in the Ordinary Shares (subject to certain exceptions). Further details on the Lock-in and Orderly Market Agreements are set out in paragraph 12.7 of Part 14.

Committees and terms of reference

The audit committee is comprised of John McLean OBE (acting as chairman of the committee) and Norman Cumming and Professor Nicholas Petford (acting as members of the committee).

The audit committee is required to review the integrity of the financial results of the Company expressed in the annual report and accounts and other relevant public announcements of the Company. The audit committee is also required to challenge both the external auditors and the management of the Company. It will also consider the engagement of auditors including tendering and the approval of non-audit services.

The audit committee will review and report to the Board on any significant reporting issues, estimates and judgements made in connection with the preparation of the Company’s financial statements.

The audit committee also has a key role in the oversight of the effectiveness of the risk management and internal control systems of the Company.

The remuneration committee is comprised of Professor Nicholas Petford (acting as chairman of the committee) and John McLean OBE and Norman Cumming (acting as members of the committee).

It is the role of the remuneration committee to ensure that remuneration arrangements are aligned to support the implementation of Company’s strategy and effective risk management for the medium to long-term. The remuneration committee is also required to ensure that the remuneration policy encourages and rewards the right behaviours, values and culture.

The nomination committee is comprised of Norman Cumming (acting as chairman of the committee) and John McLean OBE and Professor Nicholas Petford (acting as members of the committee).

The nomination committee is required to ensure there is a robust process for the appointment of new Directors. It will consider succession plans and possible candidates for future Board roles. If necessary, the nomination committee will provide support to the Chairman in taking the steps to remove any underperforming director.

Conflicts of interest

Potential areas for conflicts of interest in relation to the Company include:

- The Directors may have conflicts of interest in allocating management time among various business activities.
- In the course of their other business activities, the Directors may become aware of investment and business opportunities which may be appropriate for presentation to the Company as well as the other entities with which they are affiliated. They may have conflicts of interest in determining to which entity a particular business opportunity should be presented.
- The Directors are or may in the future become affiliated with entities, including other special purpose acquisition vehicles, engaged in business activities similar to those intended to be conducted by the Company, which may include entities with a focus on target companies or businesses similar to those being sought by the Company.

- The Directors may have a conflict of interest with respect to evaluating a particular acquisition opportunity if the retention or resignation of any of the Directors were included by a target company or business as a condition to any agreement with respect to the Acquisition.

Accordingly, as a result of these multiple business affiliations, each of the Directors may have similar legal obligations to present business opportunities to multiple entities. In addition, conflicts of interest may arise when the Board evaluates a particular business opportunity.

The Directors have, or may come to have, other fiduciary obligations, including to other companies on whose board of directors they presently sit, or act as adviser to, or to other companies whose board of directors they may join, or act as an adviser to in the future. To the extent that they identify business opportunities that may be suitable for the Company or other companies on whose board of directors they may sit, or act as adviser to, the Directors will honour any pre-existing fiduciary obligations ahead of their obligations to the Company. Accordingly, they may refrain from presenting certain opportunities to the Company that come to their attention in the performance of their duties as directors, or adviser, of such other entities unless the other companies have declined to accept such opportunities or clearly lack the resources to take advantage of such opportunities. Additionally, the Directors may become aware of business opportunities that may be appropriate for presentation to the Company as well as the other entities with which they are or may be affiliated. To further minimise potential conflicts of interest, in the event that the Company intends to acquire an entity that is an affiliate of any of the Directors (for example, an entity of which any Director is a director or shareholder), such Director shall not take part in any aspect of the Acquisition. Such Director shall not vote on any board decisions in relation to the Acquisition (nor shall they form part of the quorum required for any such board meetings). The Directors are free to become affiliated with an other entity engaged in similar business activities prior to its identifying and acquiring a target company or business. Each of the Directors has agreed that if they become involved following the date of this document and prior to the completion of an Acquisition with an entity or entities with similar acquisition criteria to the Company's, any potential opportunities that fit such criteria would first be presented to the Company.

Part 10

Historical Financial Information

ACCOUNTANT'S REPORT ON STARCREST EDUCATION THE BELT & ROAD LIMITED

28 January 2019

The Directors
Starcrest Education The Belt & Road Limited
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman
KY1-1111
Cayman Islands

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Dear Sirs

We report on the financial information on Starcrest Education The Belt & Road Limited (the “**Company**”) for the period from the date of incorporation of the Company on 23 May 2018 to 31 May 2018, set out in Part 10 of the Company’s prospectus issued in relation to the admission of all of the Company’s issued ordinary shares to the Standard Listing segment of the Official List of the UK Listing Authority and dated 28 January 2019 (the “**Prospectus**”). This financial information has been prepared for inclusion in the Prospectus on the basis set out in note 3 to the financial information. This report is required by item 20.1 of Annex I to Commission Regulation (EC) No 809/2004 (the “**Prospectus Directive**”) and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

The directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards (“**IFRS**”) as adopted by the European Union.

It is our responsibility to form an opinion as to whether the financial information gives a true and fair view, for the purposes of the Prospectus, and to report our opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I to the Prospectus Directive, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity’s circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion on financial information

In our opinion, the financial information set out in Part 10 of the Prospectus gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the Company as at 31 May 2018 and of its results, cash flows and changes in equity for the period from the date of incorporation on 23 May 2018 to 31 May 2018, in accordance with International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of Prospectus Rule 5.5.3R(2)(f), we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I to the Prospectus Directive.

Yours faithfully

Moore Stephens LLP

Chartered Accountants

STARCREST EDUCATION THE BELT & ROAD LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 May 2018

	<i>Note</i>	<i>As at 31 May 2018 £</i>
ASSETS		
<i>Current assets:</i>		
Other receivables	6	7,519
Cash and cash equivalents		–
TOTAL ASSETS		<u>7,519</u>
EQUITY AND LIABILITIES		
<i>Capital and reserves attributable to owners of the Company:</i>		
Share capital	5	7,519
Retained earnings		<u>(9,818)</u>
Total equity attributable to owners of the Company		(2,299)
<i>Current liabilities:</i>		
Accruals		<u>9,818</u>
Total liabilities		<u>9,818</u>
TOTAL EQUITY AND LIABILITIES		<u><u>7,519</u></u>

STARCREST EDUCATION THE BELT & ROAD LIMITED
STATEMENT OF COMPREHENSIVE LOSS
For the period from incorporation on 23 May 2018 to 31 May 2018

	<i>Period from incorporation on 23 May 2018 to 31 May 2018</i>
	£
	<i>Note</i>
Administrative expenses	(9,818)
Loss before taxation	<u>(9,818)</u>
Taxation	—
Loss for the period	<u>(9,818)</u>
Other comprehensive income/(loss)	—
Total comprehensive loss for the period attributable to owners of the Company	<u><u>(9,818)</u></u>
Result per share – basic and diluted (expressed as £ per share)	7 <u><u>(0.98)</u></u>

STARCREST EDUCATION THE BELT & ROAD LIMITED

STATEMENT OF CHANGES IN EQUITY

For the period from incorporation on 23 May 2018 to 31 May 2018

	<i>Share capital</i> £	<i>Retained earnings</i> £	<i>Total equity</i> £
Balance as at 23 May 2018	–	–	–
Issue of shares on incorporation	7,519	–	7,519
Total comprehensive loss for the period	–	(9,818)	(9,818)
Balance as at 31 May 2018	<u>7,519</u>	<u>(9,818)</u>	<u>(2,299)</u>

STARCREST EDUCATION THE BELT & ROAD LIMITED
STATEMENT OF CASH FLOWS
For the period from incorporation on 23 May 2018 to 31 May 2018

	<i>Period ended</i>
	<i>31 May</i>
	<i>2018</i>
	<i>£</i>
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating result before taxation and working capital changes	(9,818)
Movement in other receivables and payables	9,818
	<hr/>
Net cash used for operating activities	-
	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of shares	-
	<hr/>
Net cash from financing activities	-
	<hr/>
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	
Cash and cash equivalents at beginning of the financial period	-
	<hr/>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	-
	<hr/> <hr/>

The Company did not have a bank account or any cash during the period. A banking account was opened subsequent to the period end.

STARCREST EDUCATION THE BELT & ROAD LIMITED

NOTES TO THE FINANCIAL INFORMATION

For the period from incorporation on 23 May 2018 to 31 May 2018

1. GENERAL INFORMATION

Starcrest Education The Belt & Road Limited (the "Company") was incorporated and registered in the Cayman Islands as a private company limited by shares on 23 May 2018 under the Companies Law (as revised) of The Cayman Islands, with the name Starcrest Education The Belt & Road Limited, and registered number 337619.

The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The principal activity of the Company is to seek acquisition opportunities.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

- (a) IFRS 9, 'Financial Instruments', has an effective date for accounting periods beginning on or after 1 January 2018. IFRS 9 replaces IAS 39 and deals with the recognition, measurement and derecognition of financial assets and financial liabilities, the impairment of financial assets and hedge accounting.

Financial assets are to be measured at amortised cost, fair value through profit and loss or fair value through other comprehensive income. A financial asset can only be measured at amortised cost when the Company has a business model to hold the asset to collect contractual cash flows and the cash flows arise on specific dates and are solely for payment of principal and interest on the principal outstanding. When the requirements for measuring the financial asset at amortised cost are met but the business model also includes the selling of those instruments then these financial assets are measured at fair value through other comprehensive income. All other financial assets are measured at fair value through profit or loss.

The impairment model in IFRS 9 moves to one that is based on expected credit losses rather than the IAS 39 incurred loss model. The impairment requirements apply to financial assets measured at amortised cost and fair value through other comprehensive income with expected credit losses recognised on initial recognition based on 12 months expected credit losses, or if there has been a significant increase in the credit risk of the financial asset then the impairment is based on lifetime expected losses. The Company's financial assets mainly consist of other receivables which is measured at fair value through profit and loss.

- (b) IFRS 16 'Leases' is effective for annual periods beginning on or after 1 January 2019 with earlier application permitted, as long as IFRS 15 is also applied.

The changes for lessors, and for lessees under current finance leases, will be limited, but the standard will significantly affect the treatment by lessees of what are currently treated as operating leases. With some exceptions, lessees under current operating leases will be required to record a liability for the payments under the lease, which remains discounted at the rate implicit in the lease (or if not known, the lessee's incremental borrowing rate), and record a corresponding right of use asset (amounting to the liability plus the present value of any restoration costs and any incremental costs in entering the lease, as well as any lease payments made prior to commencement of lease, minus any lease incentives already received).

The Company has no leases as at period end but will assess any impact on the financial statements should there be a lease in the future.

3. BASIS OF PREPARATION

The Company has not yet commenced business, no audited financial statements have been prepared and no dividends have been declared or paid since the date of incorporation.

STARCREST EDUCATION THE BELT & ROAD LIMITED

NOTES TO THE FINANCIAL INFORMATION

For the period from incorporation on 23 May 2018 to 31 May 2018

The historical financial information has been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

The primary economic environment in which the Company’s operate in is Cayman Islands. Hence the Company’s functional currency USD. The historical financial information is presented in Pounds Sterling (£), which is the Company’s presentational currency and has been prepared under the historical cost convention.

No comparative figures have been presented as the financial information covers the period from incorporation of the Company on 23 May 2018 to 31 May 2018.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Foreign currency translation

Transactions in currencies other than the company’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

The method used to translate the results and financial position of the Company into the presentation currency (Pounds Sterling) is as follows:

- Assets and liabilities are translated at the closing rate at the balance sheet date;
- Income and expenses are translated at exchange rates ruling at the transaction dates; and
- All resulting exchange differences are recognised in other comprehensive income.

4.2 Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes financial transaction, where it is recognised at present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value.

Financial assets are subsequently classified into the following specified categories: Financial assets measured at fair value through profit and loss (FVTPL), Financial assets measured at amortised costs and Financial assets measured at fair value through other comprehensive income (FVOCI).

The Company has other receivables which is measured at FVTPL as disclosed in note 6.

Financial liabilities

Amount due to shareholders are recognised at fair value, based on the nominal amount outstanding. Subsequent to initial recognition, they are recorded at amortised cost.

STARCREST EDUCATION THE BELT & ROAD LIMITED

NOTES TO THE FINANCIAL INFORMATION

For the period from incorporation on 23 May 2018 to 31 May 2018

4.3 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares or options in relation to ordinary shares are shown in equity as a deduction, net of taxation, from the proceeds.

4.4 Critical accounting judgements and key sources of estimation uncertainty

The directors do not consider there to be any critical accounting judgements or key sources of estimation uncertainty.

5. SHARE CAPITAL

On incorporation, the Company had an authorised share capital of US\$50,000 divided into 50,000 ordinary shares of a par value of US\$1.00 each. 10,000 ordinary shares have been issued at US\$1.00 each. This has been converted to Pounds Sterling (£) using the closing exchange rate £/ \$ 1.33 on the date of Incorporation 23 May 2018.

The movements in the issued share capital of the Company are as follows:

	£
On incorporation on 23 May 2018:	
Issue of 10,000 ordinary shares for US\$1.00 each	7,519
	<hr/>
At 31 May 2018	<u>7,519</u>

Share capital was unpaid as at the period end. The shares were issued at par value with equal voting rights.

6. OTHER RECEIVABLES

	<i>31 May</i>
	<i>2018</i>
	£
Unpaid share capital owed by related party	7,519
	<hr/>
	<u>7,519</u>

7. LOSS PER SHARE

The Company presents basic and diluted result per share information for its ordinary shares. Basic loss per share is calculated by dividing the profit/(loss) attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the reporting period. Diluted result per share are determined by adjusting the profit/(loss) attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

There is no difference between the basic and diluted result per share.

	<i>Period ended</i>
	<i>31 May</i>
	<i>2018</i>
Loss attributable to ordinary shareholders (£)	(9,818)
Weighted average number of shares	10,000
Loss per share (expressed as £ per share)	<u>(0.98)</u>

STARCREST EDUCATION THE BELT & ROAD LIMITED

NOTES TO THE FINANCIAL INFORMATION

For the period from incorporation on 23 May 2018 to 31 May 2018

8. FINANCIAL RISK MANAGEMENT

The Company has exposure to the liquidity risk, foreign currency risk and capital risks from its use of financial instruments. Credit, interest rate and market risks are not considered to be material to the Company. The Company is not subject to any external imposed capital requirements.

The Company's financial instruments consist mainly of accounts receivable and payable.

(a) **Liquidity risk**

Exposure to liquidity risk arises in the normal course of the company's operations. These risks are limited by the Company's financial management policies and practices.

The directors have the responsibility of liquidity risk management. As at the period end no cash transactions have occurred and no bank account was in use. A bank account has been set up post period end. The directors monitor and maintain a level of bank and cash balances deemed adequate to mitigate the effects of fluctuations in cash flows.

The directors monitor rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its banking facilities at all times.

(b) **Foreign currency risk**

The Company's operation expose it primarily to the financial risks of exchanges in foreign currency exchanges rates. The Company undertakes transactions denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's exposure to foreign currency risk as at reporting are stated at currency amounts were as follow:

2018	<i>United States Dollar</i>
Other receivables	10,000

A ten per cent. strengthening of the GBP (£) against the following currencies at 31 May would have increased (decreased) equity and profit and loss by the following amounts:

	<i>2018</i>	
	<i>Profit or loss</i>	<i>Equity</i>
United States Dollar	(684)	(684)

A ten per cent. weakening of the GBP (£) against the following currencies at 31 May would have increased (decreased) equity and profit or loss by the following amounts:

	<i>2018</i>	
	<i>Profit or loss</i>	<i>Equity</i>
United States Dollar	835	835

9. RELATED PARTY TRANSACTIONS

Mr. Zhu Xingchen is a related party because he is a director of the Company.

During the period, the Company issued 10,000 ordinary shares at par value of US\$1.00 each to Mr. Zhu Xingchen. Key management has not been remunerated hence no key management personnel compensation information is disclosed.

STARCREST EDUCATION THE BELT & ROAD LIMITED

NOTES TO THE FINANCIAL INFORMATION

For the period from incorporation on 23 May 2018 to 31 May 2018

10. ULTIMATE CONTROLLING PARTY

The ultimate controlling party of the Company is Mr. Zhu Xingchen.

11. SUBSEQUENT EVENTS

On 18 December 2018 the Company repurchased and cancelled the issued ordinary share capital of US\$10,000 of US\$1 each. Separately the Company's authorised share capital became 1,000,000,000 ordinary shares of £0.01 each. On the same date the Company issued 800,000 ordinary shares at nominal value to Starcrest Education Management Company Ltd, a company registered in China. As a result of these transactions, the Company's parent company became Starcrest Education Management Company Ltd. The ultimate beneficial owner is Mr. Zhu Xingchen.

Subsequent to the period end, the Company issued a further 20,760,000 ordinary shares at £0.20 each, for an aggregate consideration of £4,152,000 in cash.

12. NATURE OF FINANCIAL INFORMATION

The financial information presented above does not constitute statutory financial statements of the Company.

Part 11

Report on the Unaudited Pro Forma Statement of Net Assets

28 January 2019

Strictly Private & Confidential

The Directors
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Dear Sirs

STARCREST EDUCATION THE BELT & ROAD LIMITED (THE “COMPANY”)

We report on the unaudited pro forma statement of net assets (the “**Pro forma Financial Information**”) set out in Part 11 of the Prospectus dated 28 January 2019, which has been prepared on the basis described in the notes of Part 11 for illustrative purposes only, to provide information about how the admission of the Company to the Standard Segment of the main market of the London Stock Exchange (the “**Admission**”) and raising of subscription proceeds might have affected the financial information presented on the basis of the accounting policies to be adopted by the Company in preparing the financial statements for the period ending 31 December 2018.

This report is required by item 7 of Annex II to Commission Regulation (EC) No 809/2004 (the “**Prospectus Directive**”) and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company to prepare the Pro forma Financial Information in accordance with Annex II to the Prospectus Directive.

It is our responsibility to form an opinion, as required by item 7 of Annex II of the Prospectus Directive, as to the proper compilation of the Pro forma Financial Information and to report that opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2) (f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I to the Prospectus Directive, consenting to its inclusion in the Prospectus.

In providing this opinion we are not updating or refreshing any reports or opinions previously given by us on any financial information used in the compilation of the Pro forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily

of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma Financial Information with the Directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing standards generally accepted outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards.

Opinion

In our opinion:

- (i) the Pro forma Financial Information has been properly compiled on the basis stated; and
- (ii) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Rule 5.5.3R(2)(f) we are responsible for this report as part of the Prospectus and we declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I to the Prospectus Directive Regulation.

Yours faithfully

Moore Stephens LLP

Chartered Accountants

Set out below is an unaudited pro forma statement of net assets of the Company as at 31 May 2018 (the “**Pro forma Financial Information**”). It has been prepared on the basis described in the notes of Part 11 for illustrative purposes only, as adjusted for the Admission as set out in the notes below. The Pro forma Financial Information has been prepared for illustrative purposes only and, because of its nature, the Pro forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Company’s actual financial position or results as at the date of Admission.

	<i>Company</i> <i>(Note 1)</i> £ <i>Audited</i>	<i>Adjustment</i> <i>(Note 2)</i> £ <i>Unaudited</i>	<i>Adjustment</i> <i>(Note 3)</i> £ <i>Unaudited</i>	<i>Pro forma</i> <i>net assets</i> £ <i>Unaudited</i>
<i>Current assets:</i>				
Other receivables	7,519	(7,519)	–	–
Cash and cash equivalents	–	8,000	3,590,412	3,598,412
	<u>7,519</u>	<u>481</u>	<u>3,500,412</u>	<u>3,598,412</u>
<i>Current liabilities:</i>				
Accruals	(9,818)	–	–	(9,818)
	<u>(9,818)</u>	<u>–</u>	<u>–</u>	<u>(9,818)</u>
Unaudited pro forma net (liabilities)/assets	<u><u>(2,299)</u></u>	<u><u>481</u></u>	<u><u>3,590,412</u></u>	<u><u>3,588,594</u></u>

Notes:

1. The financial information relating to the Company has been extracted without adjustment from the audited financial information set out in Part 10 of this document.
2. The adjustment of £7,519 represents the unpaid share capital from the 10,000 Ordinary Shares of US\$1 each, which were repurchased by the Company on 18 December 2018. On the same date, 800,000 Ordinary Shares of £0.01 each were issued for a cash consideration of £8,000.
3. The adjustment of £3,590,412 represents the gross proceeds of the Subscriptions, less associated costs and expenses of the Admission amounted to £561,588.

Part 12

CREST and Depositary Arrangements

The Company has established arrangements to enable investors to settle interests in the Ordinary Shares through the CREST system. CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another without the need to use share certificates or written instruments of transfer. Securities issued by non-UK companies, such as the Company, cannot be held or transferred electronically in the CREST system. However, depositary interests allow such securities to be dematerialised and settled electronically through CREST. Where investors choose to settle interests in the Ordinary Shares through the CREST system, and pursuant to depositary arrangements established by the Company, the Depositary will hold the Ordinary Shares and issue Depositary Interests representing the underlying Ordinary Shares, which will be held on trust for the holders of the Depositary Interests. The Depositary Interests will be independent securities constituted under English law which may be held and transferred through the CREST system. Investors should note that it is the Depositary Interests which will be admitted to and settled through CREST and not the Ordinary Shares.

The Memorandum and the Articles are consistent with CREST membership in respect of Depositary Interests and the holding and transfer of Depositary Interests in uncertified form. The Board has passed a resolution authorising the issuance of shares in book-entry form.

The Company and the Depositary entered into the Depositary Agreement on 28 January 2019, the principal terms of which are summarised below.

The Depositary Interests have been created pursuant to and issued on the terms of the Deed Poll executed on 21 December 2018 by the Depositary in favour of the holders of the Depositary Interests from time to time. Holders of Depositary Interests should note that they will have no rights against Euroclear (the operators of CREST) or its subsidiaries in respect of the underlying Ordinary Shares or the Depositary Interests representing them.

If a Shareholder so requests, its Ordinary Shares will be transferred to an account of the Depositary or its nominated custodian (the "**Custodian**") and the Depositary will issue Depositary Interests to participating CREST members. Each Depositary Interest will be treated as one Ordinary Share for the purposes of determining, for example, eligibility for any dividends. The Depositary will pass on to holders of Depositary Interests any stock or cash benefits received by it as Shareholder on trust for such Depositary Interest holder. Depositary Interest holders, through the Depositary, will also be able to receive notices of meetings of Shareholders and other notices issued by the Company to the Shareholders.

The Depositary Interests have the same security code (ISIN) as the underlying Ordinary Shares and will not require a separate admission to the Main Market. The Ordinary Shares can then be traded with settlement taking place within the CREST system in the form of Depositary Interests in the same way as any other CREST securities that are directly eligible in their own right. Application will be made for the Depositary Interests to be admitted to CREST with effect from Admission.

If a holder wishes to cancel its Depositary Interest, it will either directly or through its broker instruct the applicable CREST participant to initiate a CREST withdrawal (where such withdrawal is sent to the Depositary) for the name that appears on the Register. The Depositary Interest will then be cancelled by the Depositary and the related Ordinary Shares will be credited to the account on the Register by the Registrar. The Registrar will then send the holder a new Ordinary Shares certificate.

The information included within this Part 12 relating to the obtaining and cancellation of Depositary Interests by a holder is intended to be a summary only and is not to be construed as legal, business or tax advice. Each investor should consult his or her own lawyer, financial adviser, broker or tax adviser for legal, financial or tax advice in relation to Depositary Interests.

1. Deed Poll

The Deed Poll was executed on 21 December 2018 by the Depositary and contains the following provisions:

- 1.1 The Depositary will hold (itself or through the Custodian), as bare trustee, the underlying Ordinary Shares and all and any rights and other securities, property and cash attributable to the underlying

Ordinary Shares pertaining to the Depositary Interests for the benefit of the holders of the relevant Depositary Interests as tenants in common and each of the holders is entitled to rights in relation to the relevant Depositary Interests accordingly. The Depositary will re-allocate securities or Depositary Interests distributions allocated to the Depositary or Custodian *pro rata* to the Ordinary Shares held for the respective accounts of the holders of Depositary Interests, but will not be required to account for fractional entitlements arising from such re-allocation.

- 1.2 Holders of Depositary Interests agree to give such warranties and certifications to the Depositary as the Depositary may reasonably require. In particular, holders of Depositary Interests warrant, *inter alia*, that the securities in the Company transferred or issued to the Depositary or Custodian on behalf of the Depositary for the account of the Depositary Interest holder are transferred or, as the case may be issued free and clear of all liens, charges, encumbrances or third party interests and that such transfers or issues are not in contravention of the Company's constitutional documents or any contractual obligation, or applicable law or regulation or order binding or affecting such holder, and holders of Depositary Interests agree to indemnify the Depositary against any liability incurred as a result of any breach of such warranty.
- 1.3 The Depositary or Custodian shall pass on to the Depositary Interest holders and, so far as they are reasonably able, exercise on behalf of the Depositary Interest holders all rights and entitlements received or to which they are entitled in respect of the underlying Ordinary Shares which are capable of being passed on or exercised. Rights and entitlements to cash distributions, to information to make choices and elections and to attend and vote at general meetings shall, subject to the Deed Poll, be passed on in the form in which they are received, together with amendments and additional documentation necessary to effect such passing-on, or, as the case may be, exercised in accordance with the Deed Poll. If arrangements are made which allow a holder to take up rights in the Company's securities requiring further payment, the holder must put the Depositary in cleared funds before the relevant payment due date or other date notified by the Depositary if it wishes the Depositary to exercise such rights on its behalf.
- 1.4 The Depositary will be entitled to cancel Depositary Interests and treat the holders thereof as having requested a withdrawal of the underlying securities in certain circumstances, including where a Depositary Interest holder fails to furnish the Depositary with such proof, certificates or representations as to matters of fact, including but not limited to his identity, as the Depositary deems appropriate.
- 1.5 The Depositary warrants that it is an authorised person under the FSMA and is duly authorised to carry out custodian and other activities under the Deed Poll. It also undertakes to maintain that status and authorisation.
- 1.6 The Deed Poll contains provisions excluding and limiting the Depositary's liability. For example, the Depositary shall not be liable to any Depositary Interest holder or any other person for liabilities in connection with the performance or non-performance of obligations under the Deed Poll or otherwise except as may result from its negligence or wilful default or fraud or that of any person for whom it is vicariously liable, provided that the Depositary shall not be liable for the negligence, wilful default or fraud of any Custodian or agent which is not a member of its group unless it has failed to exercise reasonable care in the appointment and continued use of such Custodian or agent. Except in the case of personal injury or death, any liability incurred by the Depositary to a holder under the Deed Poll is limited to the lesser of:
 - the value of the Depositary Interests that would have been properly attributable to the Depositary Interests to which the liability relates; and
 - that proportion of £5 million which corresponds to the portion which the amount the Depositary would otherwise be liable to pay to the holder bears to the aggregate of the amounts the Depositary would otherwise be liable to pay to all such holders in respect of the same act, omission or event which gave rise to such liability or, if there are no such amounts, £5 million.
- 1.7 The Depositary is entitled to charge holders of Depositary Interests fees and expenses notified from time to time for the provision of its services under the Deed Poll.
- 1.8 Each holder of Depositary Interests is liable to indemnify the Depositary and any custodian (and their respective agents, officers and employees), and hold each of them harmless, from and against all liabilities arising from or incurred in connection with, or arising from any act related to, the Deed Poll so far as they relate to the Depositary Interests held for the account of that holder, other than those caused by or resulting from the wilful default, negligence or fraud of: (i) the Depositary; or (ii) the

custodian or any agent of such custodian or agent is a member of the Depositary's group or if, not being a member of the same group, the Depositary shall have failed to exercise reasonable care in the appointment and continued use of such custodian or agent.

- 1.9 The Depositary is entitled to make deductions from the deposited property or any income or capital arising therefrom, or to sell such deposited property and make deductions from the sale proceeds thereof, in order to discharge the indemnification obligations of Depositary Interest holders.
- 1.10 The Depositary may terminate the Deed Poll by giving not less than 30 days' notice. During such notice period, Depositary Interest holders may cancel their Depositary Interests and the Depositary Interests holders may withdraw their deposited property and, if any Depositary Interests remain outstanding after termination, the Depositary shall, as soon as reasonably practicable and amongst other things: (i) deliver the deposited property in respect of the Depositary Interests to the relevant Depositary Interest holder; or (ii) at the Depositary's discretion sell all or part of such deposited property. It shall, as soon as reasonably practicable, deliver the net proceeds of any such sale, after deducting any sums due to the Depositary, together with any other cash held by it under the Deed Poll, *pro rata* to the Depositary Interest holders in respect of their Depositary Interests.
- 1.11 The Depositary may require from any holder: (i) information as to the capacity in which Depositary Interests are owned or held by such holders and the identity of any other person with any interest of any kind in such Depositary Interests or the underlying Ordinary Shares and the nature of such interests; (ii) evidence or declaration of nationality or residence of the legal or beneficial owner(s) of Depositary Interests and such information as is required to transfer the relevant Depositary Interests or Ordinary Shares to the holder; and (iii) such information as is necessary or desirable for the purposes of the Deed Poll or CREST system, and holders are bound to provide such information requested. The holders of Depositary Interests consent to the disclosure of such information by the Depositary or custodian to the extent necessary or desirable to comply with their respective legal or regulatory obligations.
- 1.12 Furthermore, to the extent that the Company's constitutional documents, applicable laws or regulations may require the disclosure to the Company of, or limitations in relation to, beneficial or other ownership of the Company's securities, the Depositary Interest holders are to comply with such provisions and with the Company's instructions with respect thereto, and consent to the disclosure of such information for such purposes. It should also be noted that holders of Depositary Interests may not have the opportunity to exercise all of the rights and entitlements available to holders of Ordinary Shares, including, for example, the ability to vote on a show of hands. In relation to voting, it will be important for holders of Depositary Interests to give prompt instructions to the Registrar or its nominated custodian, in accordance with any voting arrangements made available to them, to vote the underlying Ordinary Shares on their behalf or, to the extent possible, to take advantage of any arrangements enabling holders of Depositary Interests to vote such Ordinary Shares as a proxy of the Registrar or its nominated custodian.

2. Depositary Agreement

The Depositary Agreement was entered into between the Company and the Depositary on 28 January 2019 and contains the following provisions:

- 2.1 Under the Depositary Agreement, the Company appoints the Depositary to constitute and issue from time to time, upon the terms of the Deed Poll, a series of Depositary Interests representing Ordinary Shares and to provide certain other services (including depositary services, custody services and dividend services) in connection with such Depositary Interests.
- 2.2 The Depositary agrees that it will comply with the terms of the Deed Poll and that it will perform its obligations with reasonable skill and care. The Depositary assumes certain specific obligations, including, for example, to arrange for the Depositary Interests to be admitted to CREST as participating securities and provide copies of, and access to, the register of Depositary Interests.
- 2.3 The Company acknowledges that it shall be its responsibility and undertakes to advise the Depositary promptly of any securities laws or other applicable laws, rules or regulations with which the Depositary must comply in providing the services.
- 2.4 The Company agrees to provide such assistance, information and documentation to the Depositary as is reasonably required by the Depositary for the purposes of performing its duties, responsibilities and obligations under the Depositary Agreement.

- 2.5 The Depositary is to indemnify the Company and its officers and employees from and against any loss (excluding indirect, consequential or special loss) which any of them may incur in any way as a result of or in connection with the fraud, negligence or wilful default of the Depositary (or its officers, employees, agents or sub-contractors).
- 2.6 The appointment of the Depositary shall continue for a fixed term of one year until terminated by either party giving to the other party not less than six months' notice, subject to earlier termination in accordance with the terms of the Depositary Agreement. Either party may terminate the Depositary Agreement with immediate effect by notice in writing if the other party: (i) shall be in persistent or material breach of any term of the Depositary Agreement and such breach is not remedied (if capable of being remedied) within 21 days of receiving notice of such breach and a request for such remedy; (ii) goes into insolvency or liquidation (not being a members' voluntary winding up) or administration or a receiver is appointed over any part of its undertaking or assets, subject to certain provisos; or (iii) shall cease to have the appropriate authorisations which permit it lawfully to perform its obligations under the Depositary Agreement. Should the Depositary Agreement be terminated for any reason, other than arising from the Depositary's fraud, negligence, wilful default or material breach of a term of the Depositary Agreement, the Company shall within 30 days of termination pay to the Depositary the Depositary's reasonable costs and expenses of transferring the Depositary Interest register to its new registrar.
- 2.7 The Depositary will be entitled to employ agents for the purposes of carrying out certain of its obligations under the Depositary Agreement which the Depositary considers to be of a specialist nature.
- 2.8 The Company is to pay to the Depositary an annual fee for the services. The Company shall pay a fixed fee for, *inter alia*, the deposit, cancellation and transfer of the Depositary Interests, the custody services and the dividend services. The Company shall in addition reimburse the Depositary within 30 days of the Depositary's invoice for all network charges, CREST charges, money transmission and banking charges and other out-of-pocket expenses incurred by it in connection with the provision of the services under the Depositary Agreement.
- 2.9 The Company will indemnify the Depositary from and against all losses suffered or incurred by the Depositary as a result of or in connection with the performance by the Depositary of its obligations under the Depositary Agreement. The Company will not indemnify the Depositary for such losses which arise as a result of the fraud, negligence or wilful default of the Depositary. This indemnification does not restrict or limit the Depositary's general obligation at law to mitigate a loss it may suffer or incur as a result of any event that may give rise to a claim under this indemnity.
- 2.10 The aggregate liability of the Depositary to the Company over any 12-month period under the Depositary Agreement, whether such liability arises under any express or implied terms of the Depositary Agreement, in tort, for misrepresentation, for breach of contract, a contribution or any other duty imposed by law or in any other way will not exceed twice the amount of the Fees (as defined in the Depositary Agreement) payable in any 12-month period in respect of a single claim or in the aggregate.

Part 13

Taxation

1. UNITED KINGDOM TAXATION

1.1 *General*

The following comments are intended only as a general guide to certain UK tax considerations relevant to prospective investors in the Ordinary Shares. They do not purport to be a complete analysis of all potential UK tax consequences of acquiring, holding or disposing of Ordinary Shares and they do not constitute tax advice. They are based on current UK taxation law and the published practice of HM Revenue & Customs (which may not be binding) as at the date of this document (both of which are subject to change at any time, possibly with retrospective effect). The comments relate only to certain limited aspects of the UK tax treatment of Shareholders and are intended to apply only to Shareholders who for UK tax purposes are resident (and, in the case of individuals, domiciled) in (and only in) the UK and not subject to 'split year' treatment. The comments apply only to Shareholders who are the absolute beneficial owners of their Ordinary Shares and dividends payable on them and who hold their Ordinary Shares as investments.

The comments may not apply to certain categories of Shareholders who are subject to special rules, such as dealers in securities, traders, brokers, banks, financial institutions, insurance companies, collective investment schemes, investment companies, Shareholders who are exempt from taxation (or who acquire or hold their Ordinary Shares through an Individual Savings Account, a Self-Invested Personal Pension or a small self-administered pension scheme), Shareholders who acquire (or are deemed to acquire) their Ordinary Shares by virtue of any office or employment, persons connected with the Company or any Group company, persons holding Ordinary Shares as part of any hedging or conversion transactions, persons who are not domiciled or not resident in the UK for UK tax purposes, trusts, those who hold 5 per cent. or more of the Ordinary Shares or Shareholders who are involved in arrangements to obtain a tax advantage. Nor may the comments apply to any person who holds investments in any HMRC-approved arrangements or schemes, including the enterprise investment scheme, venture capital scheme or business expansion scheme or any person who may be able to claim any inheritance tax relief. Such persons should consult an appropriate professional adviser.

Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the UK are strongly recommended to consult an appropriate professional adviser.

The Directors intend to conduct the affairs of the Company in such a manner that it does not become resident in the UK for taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the UK (whether or not through a permanent establishment situated therein), the Company should not be subject to UK income tax or UK corporation tax, except on certain types of UK source income.

1.2 *Taxation of dividends*

No withholding on payments of dividends

The Company is not required to withhold UK tax from payments of dividends on the Ordinary Shares.

UK taxation on receipt of dividends

Shareholders who are resident in the United Kingdom for tax purposes will, subject to their individual circumstances, be liable to UK income tax or, as the case may be, corporation tax on dividends paid to them by the Company.

Shareholders within the charge to UK income tax

An individual Shareholder who is resident in the UK for taxation purposes is currently entitled to an annual tax-free allowance of £2,000 of dividend income. To the extent that dividend income exceeds the annual tax free dividend allowance, tax will be imposed at the rates of:

- (a) 7.5 per cent., to the extent that the dividend income falls within the basic rate band of income tax;

- (b) 32.5 per cent., to the extent that the dividend income falls within the higher rate band of income tax; and
- (c) 38.1 per cent., to the extent that the dividend income falls within the additional rate band of income tax.

Any UK resident Individual Shareholders who are not domiciled (or deemed domiciled) in the UK and pay UK tax on a remittance basis, should be taxed on dividends paid by the Company only to the extent they are remitted to the UK, on the basis that the Company is not resident in the UK for UK tax purposes.

Shareholders within the charge to UK corporation tax

Shareholders who are within the charge to UK corporation tax and who are not 'small companies' will generally be exempt from corporation tax on dividends they receive from the Company, provided the dividends fall within an exempt class and certain conditions are met (including anti-avoidance conditions). In general, most dividends received by non-small corporate Shareholders should fall within an exempt class. If the conditions for exemption are not, or cease to be, satisfied, or such a Shareholder elects for an otherwise exempt dividend to be taxable, the Shareholder will be subject to UK corporation tax on dividends received from the Company.

Shareholders within the charge to UK corporation tax who are 'small companies' for the purpose of Part 9A of the Corporation Tax Act 2009 will be liable to UK corporation tax on dividends paid to them by the Company because the Company is not resident in a 'qualifying territory' for the purposes of the legislation contained in the Corporation Tax Act 2009. The rate of corporation tax is currently 19 per cent.

Shareholders who are in any doubt as to how the rules on taxation of dividends will affect them are strongly advised to consult their own professional advisers.

UK pension funds and charities

UK pension funds and UK charities should not generally be required to pay tax on dividends that they receive from the Company, provided that they satisfy the relevant conditions relating to their UK tax status.

1.3 Taxation of capital gains and chargeable gains

Subject to their individual circumstances, Shareholders who are resident in the UK for UK taxation purposes will potentially be liable to UK taxation, as further explained below, on any gains which accrue to them on a disposal (or deemed disposal) of their Ordinary Shares for UK taxation purposes.

The offshore fund rules

The Taxation (International and Other Provisions) Act 2010 and the Offshore Funds (Tax) Regulations 2009 contain provisions (the 'offshore fund rules') which apply to persons who hold an interest in an entity which is an 'offshore fund' for the purposes of those provisions. Under the offshore fund rules, any gain accruing to a person upon the sale or other disposal of an interest in an offshore fund can, in certain circumstances, be chargeable to UK tax as income, rather than as a capital gain. In addition, offshore funds which are predominantly debt-invested may be treated as 'bond funds'. If the bond fund rules were to apply, investors who are within the charge to UK corporation tax would be subject to taxation in accordance with a fair value basis of accounting in accordance with the rules in Chapter 3 of Part 6 of the Corporation Tax Act 2009 and investors who are within the charge to UK income tax would be taxed on dividends and other distributions from the Company as though they were interest in accordance with section 378A of the Income Tax (Trading and Other Income) Act 2005.

The offshore fund rules will apply to an investment in Ordinary Shares only if a reasonable investor acquiring those Ordinary Shares in the Company would expect to be able to realise all or part of his investment on a basis calculated entirely, or almost entirely, by reference to the net asset value of the Company's assets (to the extent attributable to the Ordinary Shares) or by reference to an index of any description. The Directors are of the view that a reasonable investor acquiring Ordinary Shares in the Subscription would not have such an expectation, and that therefore the Ordinary Shares should not be treated as constituting interests in an offshore fund for such investors. On that basis, the offshore fund rules should not apply to such investors and any gain realised by such an investor on a disposal of Ordinary Shares should not be taxable.

under the offshore fund rules but should be respected as a capital gain. Consequently, neither should the bond fund rules described above apply to such investors.

Shareholders within the charge to UK capital gains tax

For an individual Shareholder who is resident in the UK for tax purposes, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain or an allowable loss for the purposes of UK capital gains tax, depending upon the Shareholder's circumstances and subject to any available exemption or relief. The rate of capital gains tax on such a disposal of shares is generally 10 per cent. for individuals who are subject to income tax at the basic rate and 20 per cent. for individuals who are subject to income tax at the higher or additional rates. An individual Shareholder is entitled to realise an annual exempt amount of gains (£11,700 for tax year 2018/19) in each tax year without being liable to UK capital gains tax.

Shareholders within the charge to UK corporation tax on chargeable gains

For a corporate Shareholder within the charge to UK corporation tax, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain or an allowable loss for the purposes of UK corporation tax, the rate of which is currently 19 per cent.

The UK has a substantial shareholding exemption regime which may exempt a chargeable gain arising on the disposal of Ordinary Shares. However, a number of strict technical conditions must be satisfied, including that the corporate shareholder would need to hold at least 10 per cent. of the ordinary share capital of the Company and the Company would need to qualify as a "trading" company or a holding company of a trading group.

Anti-avoidance

Certain other anti-avoidance provisions may apply, a number of which are discussed briefly below. This is not an exhaustive list and Shareholders should consult their own professional advisers in relation to the potential application of anti-avoidance rules.

Controlled Foreign Companies Rules – Deemed Income of UK Corporate Shareholders

If the Company were at any time to be controlled, for UK tax purposes, by persons (of any type) resident in the United Kingdom for tax purposes, the 'controlled foreign companies' provisions in Part 9A of Taxation (International and Other Provisions) Act 2010 could apply to UK resident corporate Shareholders. Under these provisions, part of any 'chargeable profits' accruing to the Company (or in certain circumstances to a subsidiary or investee company of the Company) may be attributed to such a corporate Shareholder with greater than a 25 per cent. shareholding and may in certain circumstances be chargeable to UK corporation tax in the hands of the corporate Shareholder. The controlled foreign companies provisions are complex, and prospective investors should consult their own independent professional advisers.

Chapter 2 of Part 13 of the Income Tax Act 2007 – Deemed Income of Individuals

The attention of Shareholders who are individuals resident in the UK for tax purposes is drawn to the provisions set out in Chapter 2 of Part 13 of the UK Income Tax Act 2007, which may render those individuals liable to UK income tax in respect of undistributed income (but not capital gains) of the Company.

Section 13 Taxation of Chargeable Gains Act 1992 – Deemed Gains

The attention of Shareholders who are resident in the United Kingdom for tax purposes are drawn to the provisions currently in section 13 of the Taxation of Chargeable Gains Act 1992. This provides that for so long as the Company would be a "close" company (within the meaning of Part 10 of the Corporation Act 2010) if it were resident for UK tax purposes in the UK, Shareholders who (alone or together with connected persons) have a 25 per cent. or greater interest in the Company could be liable to UK capital gains taxation on their pro rata share of any capital gain realised by the Company (or, in certain circumstances, by a subsidiary or investee company of the Company). It is strongly recommended that Shareholders consult their own independent professional advisers as to their UK tax position.

Transactions in securities

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HM Revenue and Customs to raise tax assessments so as to cancel ‘tax advantages’ derived from certain prescribed “transactions in securities”. These rules would be relevant for so long as the Company would be a “close” company (within the meaning of Part 10 of the Corporation Act 2010) if it were resident for UK tax purposes in the UK.

1.4 Inheritance tax

Individual Shareholders who are domiciled (or deemed domiciled) in the UK may be subject to UK inheritance tax in respect of their holdings of Ordinary Shares in the Company.

1.5 Stamp Duty and Stamp Duty Reserve Tax

No UK stamp duty or stamp duty reserve tax will be payable on the issue of the Ordinary Shares.

On subsequent transfers of Ordinary Shares, UK stamp duty will generally be payable (at the rate of 0.5 per cent. of the value of the consideration paid, rounded up where necessary to the next £5) if an instrument of transfer is executed in the UK or, in certain cases, is brought into the UK. Transfers of Ordinary Shares for less than £1,000 are not generally subject to UK stamp duty, provided that they are not part of a wider transaction or series of transactions.

An agreement to transfer certificated Ordinary Shares will not be subject to UK stamp duty reserve tax (“**SDRT**”) provided that the Shares are not registered in any register kept in the UK by or on behalf of the Company and the Ordinary Shares are not paired with securities issued by any company incorporated in the UK.

The Ordinary Shares of the Company will be transferred into a depositary and investors will deal in the Depositary Interests within CREST. Dealings in these Depositary Interests should not attract stamp duty, as there will be no instrument of transfer on which the charge could fall. Agreements to transfer Depositary Interests should not be subject to stamp duty reserve tax provided that the Company is not centrally managed and controlled in the UK, the Shares are not registered in any register kept in the UK for or on behalf of the Company and the Shares are listed on a recognised stock exchange. The Directors intend that the Company will satisfy these conditions.

If any Shareholder is in any doubt as to his or her UK taxation position, it is strongly recommended that they seek independent and professional financial and tax advice.

2. TAXATION IN THE CAYMAN ISLANDS

2.1 General

At the present time, there is no Cayman Islands income tax, corporation tax, capital gains tax or other taxes payable by the Company or the Shareholders. The Company is an exempted company under Cayman Islands law and as such has applied for an undertaking as to tax concessions pursuant to Section 6 of the Tax Concessions Law (2018 Revision) of the Cayman Islands. This undertaking once issued, will usually provide that, for a period of 20 years from the date of issue of the undertaking, no law thereafter enacted in the Cayman Islands imposing any taxes to be levied on profits, income, gains or appreciation will apply to the Company or its operations. No capital or stamp duties are levied in the Cayman Islands on the issue, transfer or redemption of Shares. An annual registration fee will be payable by the Company to the Cayman Islands government which will be calculated by reference to the nominal amount of its authorised capital.

The foregoing summary does not address tax considerations that may be applicable to certain Shareholders under the laws of jurisdictions other than the Cayman Islands.

3. OTHER JURISDICTIONS

The Company has no present plans to apply for any certifications or registrations, or to take any other actions under the laws of any jurisdictions, which would afford relief to local investors therein from the normal tax regime otherwise applicable to an investment in Ordinary Shares.

It is therefore the responsibility of all prospective investors to inform themselves as to any income or other tax consequences arising in the jurisdictions in which they are resident or domiciled for tax purposes.

Prospective investors should note that fiscal law and practice might change. It is also the responsibility of all prospective investors to inform themselves as to any foreign exchange or other fiscal or legal restrictions, which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of the Ordinary Shares.

Part 14

Additional Information

1. Responsibility

The Directors, whose names appear on page 45 of this document, and the Company accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company (who have each taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and contains no omission likely to affect its import.

2. The Company

- 2.1 The Company was incorporated in the Cayman Islands on 23 May 2018 under Cayman Companies Law, as an exempted company with limited liability with the name Starcrest Education The Belt & Road Limited. The Company's registered number is 337619.
- 2.2 The principal legislation under which the Company was incorporated and operates and pursuant to which the Ordinary Shares have been created is the Companies Law and regulations made under the Companies Law.
- 2.3 With effect from Admission the Company will be subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the UKLA), to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.
- 2.4 The Company's registered office is at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The head office and principal place of business of the Company, and the business address of each of the Directors, is Floor 12, Giuhang Building, No. 49, Zhong Hua South Road, Guiyang, Guizhoau Province, China. The email address of the Company for contact enquiries is enquiring@starcrest.cn. The Company's principal objects and activities are to act as a general commercial company. The liability of the Company's members is limited.
- 2.5 The financial year end of the Company is on 31 December.
- 2.6 As at the date of this document, the Company does not have any subsidiaries.

3. Share Capital

- 3.1 Upon incorporation on 23 May 2018, the Company issued one (1) Ordinary Share to McGrath Tonner Corporate Services Limited. On the same date, this Ordinary Share was transferred to Mr. Zhu and the Company issued a further 9,999 Ordinary Shares to Mr. Zhu.
- 3.2 On 20 August 2018, Mr. Zhu transferred 10,000 Ordinary Shares to Starcrest Education Investment Holdings Limited, a company incorporated in the British Virgin Islands, for a consideration of US\$10,000.
- 3.3 On 25 September 2018, Starcrest Education Investment Holdings Limited transferred 10,000 Ordinary Shares to Starcrest Education Management Company Ltd, a company incorporated in China, for a consideration of US\$10,000.
- 3.4 To change the currency of the share capital of the Company from US\$ to £, on 18 December 2018, the Company undertook the following steps:
 - 3.4.1 *Increase of authorised share capital*: the authorised share capital of the Company was increased by £10,000,000 by the creation of additional 1,000,000,000 Ordinary Shares of par value of £0.01 each (the "**Increase**");

- 3.4.2 *Allotment and issue of new Shares*: following the Increase, the Company issued 800,000 Ordinary Shares nil-paid to Starcrest Education (the “**Issue**”) at the price of £8,000 (equivalent to US\$10,000) (the “**Subscription Price**”);
- 3.4.3 *Repurchase*: following the Issue, the Company repurchased (the “**Repurchase**”) the 10,000 existing issued shares of US\$1.00 each (the “**Existing Shares**”) held by Starcrest Education at the price of £8,000 (equivalent to US\$10,000) (the “**Repurchase Price**”) following which the Existing Shares were cancelled;
- 3.4.4 *Paying up of Ordinary Shares*: the Subscription Price was set-off against the Repurchase Price and the 800,000 nil-paid Ordinary Shares referred to above were credited as fully-paid; and
- 3.4.5 *Diminution of Authorised Capital*: following the Repurchase, the authorised but unissued share capital of the Company was diminished by the cancellation of all the 50,000 unissued shares of US\$1.00 each in the capital of the Company.
- 3.5 On 14 January 2019, the Company adopted its current Memorandum and the Articles (further details of which are in paragraph 4 of this Part 14) with effect from Admission in substitution for and to the exclusion of the Company’s then existing memorandum and articles of association.
- 3.6 Pursuant to a resolution passed on 21 January 2019, the Company resolved that, conditional upon Admission, the Directors be authorised in accordance with the Articles to exercise all powers of the Company to:
- (i) allot up to 15,370,000 Ordinary Shares at the Subscription Price to Starcrest Education for a cash consideration of £3,074,000, for the purposes of, or in connection with, the Original Subscription, provided always that such authority conferred on the Directors shall expire on the date falling one year after the date of passing such resolution;
 - (ii) allot up to 5,390,000 Ordinary Shares for the purposes of, or in connection with, the Admission Subscription, provided always that such authority conferred on the Directors shall expire on the date falling one year after the date of passing such resolution;
 - (iii) allot Ordinary Shares in connection with an Acquisition (including in respect of consideration payable for an Acquisition) or in relation to, in connection with or resulting from the restructuring or refinancing of any debt or other financial obligation relating to an Acquisition;
 - (iv) generally, and in addition, allot up to 10,800,000 Ordinary Shares, representing approximately 50 per cent. of the Ordinary Shares in issue following Admission; and
 - (v) waive all pre-emption rights in the Articles (a) for the purposes of or in connection with the Original Subscription and the Admission Subscription; (b) for the purposes of an Acquisition (including in respect of consideration payable for an Acquisition, in cash); and (c) generally, and in addition, for such purposes as the Directors think fit, up to an aggregate amount of 50 per cent. of the value of Ordinary Shares (as at the close of business on the first business day following Admission).
- 3.7 As at Admission, the issued share capital of the Company will consist of 21,560,000 Ordinary Shares including 16,170,000 Ordinary Shares held by Starcrest Education (all of which are fully paid), denominated in GBP.
- 3.8 Save for certain limited exceptions, the Ordinary Shares are subject to pre-emptive rights in favour of existing Shareholders under the Articles but these have been waived as set out in paragraph 3.6(v).
- 3.9 The Ordinary Shares are in registered form and are capable of being held in certificated or uncertificated form. Following Admission, the Depositary Interests representing the Ordinary Shares may be delivered, held and settled in CREST. A register of Ordinary Shares will be maintained by the Registrar.
- 3.10 Save as set out in this document:
- 3.10.1 the Company does not have in issue any outstanding convertible securities, exchangeable securities or securities with warrants in the Company; and

- 3.10.2 no share capital of the Company is under option or has been granted conditionally or unconditionally to be put under option.
- 3.11 The Ordinary Shares will be listed on the Official List and will be traded on the Main Market of the London Stock Exchange. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on, any other stock exchange or securities market.

4. Memorandum and Articles

The Memorandum and the Articles, which in the case of the Articles were adopted conditional upon and with effect from Admission by special resolution of the Shareholders passed by written resolution on 14 January 2019 contain, *inter alia*, provisions to the following effect:

The Memorandum

The Memorandum states, *inter alia*, that the liability of each Shareholder is limited to the amount from time to time unpaid on such Shareholder's shares, that the objects for which the Company is established are unrestricted, and as provided in section 27(2) of the Cayman Companies Law, the Company has and is capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit. In view of the fact that the Company is an exempted company, the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands.

The Articles

The Articles contain, *inter alia*, provisions to the following effect:

4.1 Voting rights

Every resolution put to a vote at a meeting of Shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is demanded by (i) the chairman of the meeting; or (ii) at least one (1) or more Shareholders holding at least one-tenth (1/10) of the issued Ordinary Shares of the Company from time to time or (iii) by at least five (5) Shareholders who are present in person or by proxy.

Subject to any special rights or restrictions as to voting attached to any Ordinary Share by or in accordance with the Articles:

- on a vote by show of hands, every Shareholder present in person and every person holding a valid proxy and entitled to vote on the matter has one vote; and
- on a poll, every person present and entitled to vote on the matter shall have one vote for each share of which such person is the holder or for which such person holds a proxy.

4.2 Restrictions on voting

Votes by joint holders

If there are joint Shareholders registered in respect of any Ordinary Share:

- any one of the joint Shareholders may vote at any meeting, either personally or by proxy, in respect of the Ordinary Share as if that joint Shareholder were solely entitled to it; or
- if more than one of the joint Shareholders is present at any meeting, personally or by proxy, and more than one of them votes in respect of that Ordinary Share, then only the vote of the joint Shareholder present whose name stands first on the register of members in respect of the Ordinary Share will be counted.

4.3 Major Shareholders

Nothing in the Articles confers on major Shareholders any voting rights, which are different to those conferred on the holders of Ordinary Shares as described in paragraph 4.1 and 4.2 above.

4.4 **Transfer of shares**

Title to, and interest in, the shares may be transferred by a written instrument in any usual or common form or in any other form approved by the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the Ordinary Share(s) until the name of the transferee is entered on the register of members in respect thereof.

The Board may, in its absolute discretion, and without giving any reason, refuse to register a transfer of any share (i) that is not fully paid up to a person of whom it does not approve, or (ii) that is issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, or (iii) where the following do not apply:

- (a) it is in respect of a share which is fully paid up;
- (b) it is in respect of a share on which the Company has no lien;
- (c) it is in respect of only one class of share;
- (d) it is in favour of not more than four transferees;
- (e) the instrument of transfer is lodged at the registered office of the Company or such other place at which the register of members is kept in accordance with Cayman Companies Law or the Registration Office (as defined in the Articles) (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and
- (f) if applicable, the instrument of transfer is duly and properly stamped,

provided that such discretion may not be exercised in such a way as to prevent dealings in such shares from taking place on an open and proper basis. No transfer shall be made to a minor, to a bankrupt or to a person of unsound mind or under any other legal disability.

If the Board refuses to register a transfer it must, within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferor and the transferee. The Ordinary Shares now in issue are in registered form. Title to the Depositary Interests representing the Ordinary Shares in issue or to be issued may be transferred by means of a relevant system such as CREST.

There are no other restrictions on the transfer of shares and no pre-emption rights on transfer in respect of them.

4.5 **Requirement to disclose interests in shares**

Subject to any requirement under Cayman Companies Law, for so long as the Company is listed on the London Stock Exchange, the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules which relate to the requirement of persons to disclose their interests in shares, shall apply to the Company on the basis that its 'Home State' for the purpose of the Disclosure Guidance and Transparency Rules is the United Kingdom, but that it is a 'non-UK issuer' for the purpose of Rule 5 of the Disclosure Guidance and Transparency Rules and such rules shall be deemed to be incorporated into the Articles and shall bind the Company and the Shareholders (other than the Depositary).

Under Chapter 5 of the Disclosure Guidance and Transparency Rules and such provisions of the Articles, each shareholder is required to notify the Company if he holds voting rights or, as a result of an acquisition or disposal of shares or securities, the Shareholder's percentage of voting rights of the Company reaches, exceeds or falls below 5 per cent., 10 per cent., 15 per cent., 20 per cent., 25 per cent., 30 per cent., 50 per cent. or 75 per cent. of the nominal value of the Company's share capital.

Subject to any requirement under Cayman Companies Law, for so long as the Company is listed on the London Stock Exchange, the provisions of section 793 of the UK Companies Act shall be deemed to be incorporated into the Articles and shall bind the Company and the Shareholders and references in such section to a public company shall be deemed to be references to the Company. As such, the

Company may by notice in writing require a person, whom it knows or has reasonable cause to believe to be interested in shares, within 14 days, to confirm or deny such interest and to give such further information, as may be requested. In default of such person providing the information requested, the Board may serve on the holder of such shares (the “**default shares**”) a disenfranchisement notice, such that:

- (a) the shareholder shall not be entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting of Shareholders at a separate meeting of the holders of a class of shares or on a poll or to exercise other rights conferred by membership in relation to the meeting or poll; and
- b) where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class:
 - (i) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it; and
 - (ii) no transfer of any of the default shares shall be registered unless (1) the transfer is an excepted transfer, or (2) the Shareholder is not himself in default in supplying the information required and the Shareholder proves to the satisfaction of the Board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer; or (3) registration of the transfer is required by CREST or any other system for the transfer of shares in uncertificated form.

4.6 **Dividends**

Subject to the provisions of the Cayman Companies Law and of the Articles and to any special rights attaching to any shares, the Company in general meeting may by ordinary resolution from time to time declare dividends in any currency, not exceeding the amount recommended by the Board. Furthermore, the Directors may from time to time declare and authorize payment of such interim dividends as they may deem advisable.

Any decision to declare and pay dividends will be made at the discretion of the Board and will depend on, among other things, the Company’s results of operations, financial condition, solvency and distributable reserves tests imposed by corporate law and such other factors that the Board may consider relevant.

The Directors need not give notice to any shareholder of any declaration of dividends under the Articles.

Subject to the Articles, the Directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend.

A resolution of the Board declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of fully paid up shares, debentures or warrants to subscribe securities of the Company, or in any one or more of those ways.

If any difficulty arises in regard to a distribution under the Articles, the Directors may settle the difficulty as they deem expedient, and, in particular, may:

- issue certificates in respect of fractions of shares, disregard fractional entitlements or round the same up or down;
- fix the value for distribution of specific assets;
- determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties;
- vest any such specific assets in trustees for the persons entitled to the dividend.

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register of Members. Every such cheque or warrant shall be sent at the shareholder's risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

Notwithstanding anything contained in the Articles, the Directors may from time to time capitalize any surplus of the Company and may, from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the surplus or any part of the surplus.

4.7 **General meetings**

The Company shall in each calendar year hold a general meeting as its annual general meeting in addition to any other meetings in that year and such annual general meeting shall be held at such time (consistent with the terms of the Cayman Companies Law and the Articles) and place as may be determined by the Directors.

The Board may call general meetings, and they shall on a members' requisition forthwith proceed to convene an extraordinary general meeting of the Company. A members' requisition is a requisition of one or more members of the Company holding, on the date of deposit of the requisition, not less than ten percent (10 per cent.) of the paid up capital of the Company that, as at the date of the deposit, carries the right of voting at general meetings of the Company.

An annual general meeting and each other general meeting of the Company ("**extraordinary general meeting**") shall be called by notice (in the manner provided in the Articles, or in such other manner, if any, as may be prescribed by Ordinary Resolution (whether previous notice of the resolution has been given or not)) of at least such length as is required in the Articles. The Company may give such notice by any means or combination of means permitted by law and in accordance with the Articles.

Every notice of a general meeting must be in writing and specify the date, location and the time of meeting, the general nature of the business to be dealt with.

Notices shall be given to those persons required to be given notice in accordance with the Articles.

4.8 **Redemption**

The Ordinary Shares are not redeemable at the option of the holder of the Ordinary Shares.

Subject to the provisions of the Law, the Memorandum and the Articles and, where applicable, the Listing Rules and/or the rules of any competent regulatory authority, and provided that the exercise of such power shall first have been authorised by an Ordinary Resolution, the Directors may authorize the redemption or purchase by the Company of its own shares in such manner and on such terms and subject to such conditions as they think fit.

4.9 **Changes in share capital and pre-emption rights**

The Company may by Ordinary Resolution:

- (a) increase the share capital by such sum as the resolution shall prescribe and with such rights, priorities and privileges annexed thereto, as the Company in general meeting may determine;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) convert all or any of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination;

- (d) subdivide its shares or any of them into shares of an amount smaller than is fixed by the Memorandum;
- (e) cancel any shares that at the date of the passing of the resolution have not been taken or agreed to be taken by any person; and
- (f) perform any action not required to be performed by Special Resolution.

Subject to the provisions of the Law and the provisions of the Articles as regards the matters to be dealt with by Ordinary Resolution, the Company may by Special Resolution:

- (a) change its name;
- (b) alter or add to the Articles;
- (c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein; and
- (d) reduce its share capital and any capital redemption reserve fund.

The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the Articles and in particular may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the shareholders who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

The Company shall not allot equity shares or grant rights to subscribe for, or to convert securities into equity shares in the Company (together, equity securities) unless they have been offered to existing Shareholders in proportion to their shareholdings, with certain exceptions including bonus shares, equity securities wholly or partly paid up otherwise than in cash, equity securities held under an employee share scheme and equity securities equal to 10 per cent. of the Ordinary Shares on Admission, unless authorised by Special Resolution.

4.10 **Variation of rights**

Subject to the provisions of the Companies Law and the Memorandum, the Articles and to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, as (i) the Board may determine, or (ii) the Company may by Ordinary Resolution determine.

If the share capital is divided into different classes of shares then, unless the terms on which a class of shares was issued state otherwise, the rights attaching to a class of shares may only be varied if one of the following applies (i) the members holding two thirds (2/3) of the issued shares of that class consent in writing to the variation; or (ii) the variation is made with the sanction of a Special Resolution passed at a separate general meeting of the members holding the issued shares of that class. For such purposes the Directors may in their discretion treat more than one class of shares as forming one class, if they consider that all such classes would be affected in the same way by the proposals under consideration.

4.11 **Constitution of the Board**

Unless otherwise determined by the Shareholders the number of Directors shall not be less than two (2), with the exact number determined by the Board. There shall be no maximum number of Directors unless determined from time to time by the shareholders.

4.12 **Permitted interests of Directors**

Subject to the Companies Law and to the Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of

any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director discloses the nature of his interest in any contract or arrangement in which he is interested in accordance with the Articles.

A Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement with the Company (an “**Interested Director**”) shall, at the meeting of the Board at which the question of entering into the transaction is first taken into consideration (or if the Director did not at the date of that meeting know his interest existed in the transaction, at the first meeting of the Board after he knows that he is or has become interested), declare in accordance with the Cayman Companies Law the nature of his interest.

An Interested Director who has complied with the requirements of the Articles may, subject to the Articles (i) vote in respect of such transaction or arrangement; and/or (ii) be counted in the quorum for the meeting at which the transaction or arrangement is to be voted on, and no such transaction or arrangement shall be void or voidable by reason only that the Interested Director voted on it or was counted in the quorum of the relevant meeting and the Interested Director shall not be liable to account to the Company for any profit realised thereby.

Subject to the Cayman Companies Law, a Director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any other remuneration provided by the Company.

4.13 **Restrictions on voting by Directors**

A Director shall not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any office or place of profit with the Company or any company in which the Company is interested including fixing or varying the terms of his appointment or the termination thereof.

If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fully disclosed.

4.14 **Appointment and retirement of Directors**

Subject to the Articles and the Companies Law, the shareholders may by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy on the Board, or as an addition to the existing Board.

The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board.

The shareholders may, at any general meeting convened and held in accordance with the Articles, by Ordinary Resolution remove a Director at any time before the expiration of his period of office.

The Directors may by simple majority remove a Director at any time before the expiration of his period of office. The Director so removed shall be given notice in writing of his or her removal.

The office of a Director shall be vacated if the Director:

- (a) resigns his office by notice in writing delivered to the Company at its registered office or tendered at a meeting of the Board;
- (b) becomes of unsound mind or dies;

- (c) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
- (d) is prohibited by law from being a Director; or
- (e) ceases to be a Director by virtue of any provision of the Companies Law or is removed from office pursuant to the Articles.

4.15 **Remuneration of Directors**

Directors shall be paid out of the funds of the Company for their services such fees as the Board may determine, subject to a limit of £200,000 per annum or such other higher limit as the Company by Ordinary Resolution may determine. The Directors shall also receive by way of additional fees for performing any special or extra services for the Company such further sums (if any) as the Directors shall determine (within the limit stated above) or such higher amount as the Company by Ordinary Resolution may from time to time determine. Such fees and additional fees shall be divided among the Directors in such proportion and manner as they may determine and in default of determination equally. The Directors are not expected to be remunerated in the event of a deal/successful acquisition. However, if such a deal takes a considerable amount of time to conclude, the Directors may receive additional remuneration for extra time spent in fulfilling their duties. These provisions shall not apply to the remuneration of any director holding executive position.

4.16 **Proceedings of Directors**

The Directors may meet together for the conduct of business, adjourn and (subject to the Articles) otherwise regulate their meetings as they think fit.

A resolution put to the vote at a Board meeting shall be carried by the affirmative votes of a majority of the votes cast. In the case of a tie, the Chairman shall have a second or casting vote.

A Director may, and the secretary (if any) on the requisition of a Director shall, at any time summon a Board meeting. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to such Director verbally (including in person or by telephone) or otherwise communicated or sent to such Director by post, electronic means or other mode of representing words in a visible form at such Director's last known address or in accordance with any other instructions given by such Director to the Company for this purpose.

The quorum necessary for the transaction of business at a Board meeting shall be such number of the Directors carrying a majority of the votes that can be cast at a meeting of the Board if all of the Directors then in office were present, provided that if there is only one (1) Director for the time being in office the quorum shall be one (1).

4.17 **Borrowing powers**

The Directors may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Companies Law, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

4.18 **Distribution of assets on a winding up**

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares: (i) if the Company shall be wound up and the assets available for distribution amongst the shareholders shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed *pari passu* amongst such shareholders in proportion to the amount paid up on the shares held by them respectively; and (ii) if the Company shall be wound up and the assets available for distribution amongst the shareholders shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the shareholders in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

4.19 **Indemnification**

To the maximum extent permitted by applicable law, the Directors, company secretary and other officers and every auditor of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and their heirs, executors, administrators and personal representatives respectively shall be indemnified out of the assets of the Company from and against all actions, proceedings, costs, charges, losses, damages and expenses that they or any of them shall or may incur or sustain by reason of any act done or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own fraud or dishonesty.

4.20 **Amendment of Memorandum and Articles**

Subject to the Companies Law, the Company may by a Special Resolution authorize an alteration of its Memorandum and Articles.

4.21 **Compulsory acquisitions/mandatory bids**

The City Code does not apply to the Company and there is no equivalent protection under the laws of the Cayman Islands. The Company has not adopted "Code equivalent" provisions in its Articles.

4.22 **Squeeze-out and Sell-out rules relating to the Ordinary Shares**

The "Squeeze-out" and "Sell-out" provisions of the Companies Act 2006 do not apply to the Company. In accordance with Section 88 of the Companies Law, if an offeror were to acquire 90 per cent. or more of the shares of a company, the subject of such offer, within the period specified by the Companies Law, it could then compulsorily acquire the remaining shares the subject of such offer. It would do so by sending a notice to the relevant Shareholders (who have not accepted the offer) telling them that it will compulsorily acquire their shares and then, provided a dissenting shareholder has not applied to the Grand Court of the Cayman Islands which has ordered to the contrary, it would on the expiry of one (1) month from the date of such notice, pay the consideration to the Company, which would hold such consideration on trust for such Shareholders. The consideration paid to the shareholders whose securities are compulsorily acquired under these provisions must, in general, be the same as the consideration that was available under the relevant takeover offer, subject to any other order of the Grand Court of the Cayman Islands.

The Company has not been the subject of any public takeover bid by third parties during the last financial year, and there have been no bids of such kind following the end of the last financial year.

5. Directors' interests

- 5.1 The interests of each of the Directors (all of which are beneficial unless otherwise stated) in the issued share capital of the Company interests of any person connected with a Director (within the meaning of section 252 of the Companies Act 2006) and the existence of which is known or could, with reasonable diligence, be ascertained by a Director at the date of this document, and as they are expected to be immediately following Admission are as follows:

<i>Name</i>	<i>As at the date of this document</i>		<i>Upon Admission</i>	
	<i>Number of Ordinary Shares interested in</i>	<i>Percentage of Ordinary Shares</i>	<i>Number of Ordinary Shares interested in</i>	<i>Percentage of Enlarged Share Capital</i>
Zhu Xingchen ⁽¹⁾	680,000	85%	13,744,500	63.75%
Zhang Xiaojun ⁽²⁾	84,000	10.5%	1,697,850	7.88%

Notes:

(1) Mr. Zhu is interested in 85 per cent. of the registered capital of Shenzhen Xingchen. Shenzhen Xingchen is the sole shareholder of Starcrest Education, a limited liability company incorporated in China, and Mr. Zhu is indirectly interested in the Ordinary Shares directly held by Starcrest Education.

(2) Mr. Zhang is interested in 70 per cent. of the registered capital of Shenzhen Xin Jiu Tian, a limited liability company incorporated in China, pursuant to the Company Law of China on 17 May 2016. Shenzhen Xin Jiu Tian is interested in 15 per cent. of the registered capital of Shenzhen Xingchen which is the sole shareholder of Starcrest Education. Accordingly, Mr. Zhang is indirectly interested in the Ordinary Shares directly held by Starcrest Education. The remaining 30 per cent. of the registered capital of Shenzhen Xin Jiu Tian is held by four Chinese individuals, none of whom is interested in more than five per cent. of the issued share capital of the Company.

- 5.2 Save as disclosed in paragraphs 5.1 above and 8.1 below, as at the date of this document none of the Directors (nor any person connected with them within the meaning of section 252 of the Companies Act 2006) has had or will immediately following Admission have any interest, beneficial or otherwise, in any share or loan capital of the Company.
- 5.3 There are no loans or guarantees provided by any member of the Company for the benefit of any of the Directors nor are there any loans or guarantees provided by any of the Directors to the Company.
- 5.4 As at the date of this document, no Director holds options to subscribe for Ordinary Shares.
- 5.5 Save as disclosed in this document, no Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company since its incorporation.

6. Directors' service contracts, remuneration and benefits in kind

- 6.1 Zhu Xingchen became a Director of the Company on 23 May 2018. The other persons described as Directors in Part 5 of this document have been appointed Directors of the Company with effect from Admission. For ease of reference, information on such proposed Directors is presented in this document as if their appointments had become effective.
- 6.2 Zhu Xingchen and Zhang Xiaojun are Executive Directors of the Company. The details of each of their service agreement are set out in paragraph 12.10 of this Part 14.
- 6.3 John McLean OBE, Norman Cumming and Professor Nicholas Petford are the Independent Non-Executive Directors. Details of each of their letters of appointment and agreements with the Company are set out in paragraph 12.11, 12.12 and 12.13 of this Part 14.
- 6.4 The Directors have not been paid any remuneration since 23 May 2018, being the first day of the current financial period.

7. Additional information on the Directors

In addition to their directorship of the Company, the Directors hold or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this document.

<i>Director</i>	<i>Current Directorships/Partnerships</i>	<i>Past Directorships/Partnerships</i>
John McLean, OBE	Carers Trust China – Britain Business Council China City Group Limited China Food Company Plc ⁽¹⁾ China Resolutions LLP (as designated member of an LLP) Duart Partners LLP Sorbic International Plc ⁽²⁾ The Princess Royal Trust for Carers Young Carers Limited	VSO China
Zhu Xingchen	Yudie Holding (Group) Corp. Ltd	Aquatic Foods Group plc China Capital Partners Limited
Zhang Xiaojun	Starcrest Education Shenzhen Xingchen Shenzhen Xin Jiu Tian	
Nicholas Petford DSc	The University Technical College for New Technologies at Daventry The Foundation for Social Entrepreneurs The Leadership Foundation for Higher Education The Universities and Colleges Employers' Association Fluvial Innovations Limited Northamptonshire's Health and Wellbeing Board	Caring Community Energy Company CIC Northamptonshire Enterprise Social Enterprise CIC Universities UK South East Midlands Local Enterprise Partnership Limited

Notes:

⁽¹⁾ China Food Company Plc ("**CFC**") had been listed on the AIM market of the London Stock Exchange ("**AIM**"), and was regularly audited and in operation for more than five years at the time it was delisted due to the actions of a legal representative of one of its subsidiaries in China. This legal representative extended the guarantees of CFC's subsidiary to banks and financial institutions on behalf of third parties without prior authorisation or knowledge of the board of CFC. One of these third parties was in default of its facility. The bank thus enforced the subsidiary's guarantee and, accordingly, the working capital of CFC and the group was significantly reduced. As a result, CFC sought a suspension of trading of its shares on AIM. Since it was unable to publish audited accounts within the suspension period, it was delisted from AIM in December 2014. In June 2017, an agreement was reached for the disposal of the entire share capital of Full Fortune Holdings Limited, CFC's Singapore-based intermediate holding company. The purchaser was a former director of CFC. From January 2018 to July 2018, the loan note holders and creditors of CFC received various tranches of payment and it is anticipated that the loan note holders will receive approximately 65 per cent. of the principal amount outstanding. Mr. McLean OBE, as the chairman of CFC, has continued with CFC throughout such difficult times and managed CFC to enable the sale agreement to be completed.

⁽²⁾ Sorbic International Plc ("**Sorbic**") had been listed on AIM, and was regularly audited and in operation for more than five years at the time it was delisted due to the actions of a legal representative of an operating subsidiary of Sorbic in China. Certain loans were due to be paid back to Sorbic by its operating subsidiary in China. Due to interference from Sorbic's legal representative, no funds were transferred to Sorbic. In conjunction and agreement with Sorbic's advisors and loan-stock holders, Mr McLean OBE, as the non-executive chairman of Sorbic, initiated actions to recover and take control over Sorbic's assets in China. However, some of those actions were frustrated by the legal representative concerned. Following the aforementioned events, Sorbic sought a suspension of trading of its shares on AIM and its Nominated Adviser subsequently resigned. Mr McLean OBE has continued with Sorbic throughout the difficult period. In 2016, an agreement was reached with the legal representative for the partial return of funds which would cover all outstanding creditors and loan-note principal. Sorbic has commenced proceedings in respect of this agreement with the China International Economic and Trade Arbitration Commission.

<i>Director</i>	<i>Current Directorships/Partnerships</i>	<i>Past Directorships/Partnerships</i>
Norman Cumming	CR Global LLP	UnLtd MetLife Assurance Ltd. Brinson Partners Foundation for Social Entrepreneurs

Save as set out above, the Directors hold or have held no other directorships or been partners in any partnership within the five years preceding the date of this document.

Save as set out above, none of the Directors has:

- any unspent convictions in relation to indictable offences;
- had any bankruptcy order made against him or entered into any voluntary arrangements;
- in the last five (5) years been a director of a company which has been placed in receivership, compulsory liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the twelve (12) months after he ceased to be a director of that company;
- in the last five (5) years been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the twelve (12) months after he ceased to be a partner in that partnership;
- in the last five (5) years been the owner of any assets of a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the twelve (12) months after he ceased to be a partner in that partnership;
- had any convictions for fraudulent offences;
- been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or
- been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.

8. Major Shareholders

8.1 As at 24 January 2019 (the latest practicable date prior to the publication of this document), and as expected to be the case at Admission, the Directors were aware that the following persons were, or are likely to be, interested, directly or indirectly, in five per cent. or more of the issued share capital of the Company:

<i>Name</i>	<i>As at the date of this document</i>		<i>On Admission</i>	
	<i>Number of Ordinary Shares held</i>	<i>Percentage of Ordinary Shares</i>	<i>Number of Ordinary Shares held</i>	<i>Percentage of Ordinary Shares</i>
Starcrest Education Management Company ^{Note}	800,000	100%	16,170,000	75%

Note:

Starcrest Education is a limited liability company incorporated pursuant to the Company Law of China on 6 May 2015 with a registered capital of RMB100 million which is wholly owned by Shenzhen Xingchen. Starcrest Education is the registered shareholder and member of the Company and is directly interested in the Ordinary Shares registered in its name on the register of members of the Company.

Shenzhen Xingchen is a limited liability company incorporated pursuant to the Company Law of China on 2 April 2018 with a registered capital of RMB100 million which is owned as to 85 per cent. by Mr. Zhu and 15 per cent. by Shenzhen Xin Jiu Tian. Mr. Zhang contributed and is interested in 70 per cent. of the registered capital of Shenzhen Xin Jiu Tian, a limited liability company incorporated pursuant to the Company Law of China on 17 May 2016. Shenzhen Xin Jiu Tian contributed and is interested in 15 per cent. of the registered capital of Shenzhen Xingchen which is the sole shareholder of Starcrest Education. Accordingly, Mr. Zhang is indirectly interested in the Ordinary Shares directly held by Starcrest Education. The remaining 30 per cent. of the registered capital of Shenzhen Xin Jiu Tian is held by four Chinese individuals, none of whom is interested in more than five per cent. of the issued share capital of the Company. Shenzhen Xingchen is the sole shareholder of Starcrest Education and is indirectly interested in the Ordinary Shares directly held by Starcrest Education.

- 8.2 Starcrest Education has entered into a Subscription Agreement with the Company dated 28 January 2019, pursuant to which, the Company agreed to issue and Starcrest Education agreed to subscribe for 15,370,000 Ordinary Shares in the Company for a cash consideration of £3,074,000 in connection with the Original Subscription. Such Ordinary Shares are to be issued conditional upon Admission and will rank *pari passu* with all other Ordinary Shares.
- 8.3 Save as disclosed in paragraph 8.1 of this Part 14, the Directors are not aware of any person who was at 24 January 2019 (the latest practicable date prior to the publication of this document) interested or who will, on Admission be interested, directly or indirectly, in five per cent. or more of the issued share capital of the Company.
- 8.4 None of the Shareholders set out above has voting rights different from any other Shareholders.
- 8.5 Save as disclosed in paragraphs 8.1 of this Part 14, the Company is not aware of any person who exercises or could exercise, directly or indirectly, jointly or severally, control over the Company or any arrangements, the completion of which may, at a subsequent date, result in a change of control of the Company.

9. Related party transactions

Save as set out in note 9 to the historical financial information in Part 10, there are no other related party transactions during the period covered by the historical financial information set out in Part 10, or which have taken place following the period covered by that information.

10. Employees

Save for the appointment of the Executive Directors referred to in paragraph 12.10 of this Part 14, the Company has not had any employees since its incorporation. At the date of this document, the Company has not adopted a share option plan.

11. Working capital

The Company is of the opinion, taking into account the net proceeds of the Subscriptions, that it has sufficient working capital for its present requirements, that is, for at least 12 months from the date of this document.

12. Material contracts

Save for the following contracts summarised below, the Company has not entered into any material contracts (being contracts not entered into in the ordinary course of business) within the (2) two years immediately preceding the date of this document.

12.1 Original Subscription

Starcrest Education has entered into a Subscription Agreement with the Company in connection with the Original Subscription on terms set out in paragraph 8.2 of this Part 14.

12.2 Admission Subscription

Certain investors have entered into Subscription Agreements with the Company in connection with the Admission Subscription on the terms set out in Part 8.

12.3 Allenby Engagement

By way of an engagement letter dated 4 July 2018, the Company appointed Allenby as exclusive financial adviser to the Company in connection with Admission. Pursuant to the engagement, the Company agreed to pay Allenby fees amounting to £90,000 in aggregate.

12.4 **Introduction Agreement**

By way of an Introduction Agreement dated 28 January 2019, between the Company, the Directors and Allenby, Allenby was appointed to act as financial adviser to the Company for the purposes of Admission, pursuant to which the Company, *inter alia*, conferred on Allenby all powers, authorities and discretions on behalf of the Company which are necessary for and reasonably incidental to the Admission. In addition, the Company and its Directors have provided certain customary warranties and indemnities to Allenby. The Company and the Directors also give certain undertakings to Allenby with regard to the conduct of the business of the Company following Admission. Allenby has the right to terminate the Agreement in certain circumstances.

12.5 **Listing Coordinator Agreement**

By way of an agreement letter entered into in May 2018, the Company appointed the Listing Coordinator to provide financial advisory services to the Company in connection with Admission. Pursuant to the engagement, the Company agreed to pay the Listing Coordinator an aggregate fee of RMB 1,300,000. This engagement may be terminated by either party giving the other party five (5) days' written notice.

12.6 **Retained Financial Adviser Agreement**

The Company and Allenby entered into a retained financial adviser agreement on 28 January 2019, pursuant to which Allenby has agreed to act as the Company's retained financial adviser and corporate broker from the date of Admission. Under the agreement, the Company agreed to pay Allenby a fee of £40,000 per annum.

12.7 **Lock-In and Orderly Market Agreements**

On 28 January 2019, each of the Covenantors entered into a Lock-in and Orderly Market Agreement with the Company and Allenby, whereby each Covenantor undertook (save as agreed in advance with Allenby) that he would not, and would procure that his Related Parties would not, dispose of any of his respective interests in Ordinary Shares held by Starcrest Education immediately following Admission (and Ordinary Shares derived from them) or dispose of any interest in such Related Parties, for a period of twelve (12) months from Admission, subject to certain exceptions ("**Lock-in Period**"). The Lock-in Period will not apply to a disposal in the following circumstances:

- (i) in acceptance of a general offer recommended by the Board and made for the entire issued share capital of the Company;
- (ii) the execution of an irrevocable commitment to accept such a general offer which is recommended by the Board or which has become unconditional as to acceptances;
- (iii) pursuant to a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its members (or any class of them) which is agreed to by the creditors or the members (as the case may be) and sanctioned by a court under section 899 of the Companies Act 2006 or any similar or equivalent arrangement under the laws of the Cayman Islands;
- (iv) pursuant to a scheme of arrangement pursuant to section 110 of the Insolvency Act 1986 in relation to the Company or any similar or equivalent arrangement under the laws of the Cayman Islands;
- (v) pursuant to an offer by the Company to purchase its own shares which is made on identical terms to all Shareholders and otherwise complies with applicable legal and regulatory requirements;
- (vi) where required by any court of competent jurisdiction or by personal representatives of the Covenantor if he shall die during the Lock-In Period provided that the sale by such personal representatives shall be effected in accordance with the reasonable requirements of the Company and Allenby so as to ensure an orderly market for the issued share capital of the Company;
- (vii) at a time when the Ordinary Shares are no longer admitted to trading on the London Stock Exchange's main market or to listing or trading on any other stock exchange; or

- (viii) to an Associate (as defined in paragraph (A) of such definition in the Listing Rules) provided that such Associate shall first undertake to be bound by the restrictions in the Lock-in and Orderly Market Agreement.

In the event a Covenantor or his Related Party intends to dispose of any interest in the Ordinary Shares or in a Related Party during the twelve-month period following the Lock-in Period, such disposal shall only be conducted with the approval of and (in the case of a disposal of Ordinary Shares) through Allenby; and only if Allenby is of the opinion that such disposal would not give rise to a disorderly market in the Ordinary Shares (subject to certain exceptions).

12.8 **Relationship Deeds**

On 28 January 2019, the Company and Allenby entered into a Relationship Deed with each of Mr. Zhu, Mr. Zhang and the four Chinese individuals indirectly interested in Ordinary Shares (the “**Covenantors**”), who will at Admission together be interested indirectly in the Ordinary Shares held by Starcrest Education, representing approximately 75 per cent. of the voting rights in the Company. Under the terms of the Relationship Deeds, conditional on Admission, each of the Covenantors gave undertakings to ensure the independence and management of the Company in relation to the day-to-day management, affairs and governance of the Company.

In addition, all transactions between any of the Covenantors, and their Associates (as defined in paragraph (A) of such definition in the Listing Rules and including the Related Parties) and the Company shall be conducted at arm’s length, on a normal commercial basis and approved by a majority of the Independent Non-Executive Directors (or any single Independent Non-Executive Director in the event the Company has only two such directors). The Relationship Deeds also states that no agreement between any of the Covenantors, and their Associates and the Company can be varied, amended, waived or terminated unless approved in advance by a majority of the Independent Non-Executive Directors (or any single Independent Non-Executive Director in the event the Company has only two such directors). The respective Relationship Deeds shall remain in full force and effect with respect to each Covenantor for, so long as a Covenantor and his Associates retain an interest in more than 15 per cent. of the voting rights in the Company and the Ordinary Shares continue to be admitted to trading on the Main Market.

12.9 **Registrar Agreement**

A registrar agreement dated 11 December 2018 was entered into between the Company and the Registrar pursuant to which the Company appointed Computershare as its share registrar. Under this agreement, the Company will pay the Registrar a fee of £1,500 in relation to the initial set up costs of the necessary systems and procedures by the Registrar. The Company will thereafter pay a fixed annual fee of £5,500 for which the Registrar will perform the services of the Company’s share registrar. Unless terminated in accordance with early termination provisions, the agreement shall continue for a fixed term of one (1) year and thereafter, until terminated by either party giving to the other party not less than six (6) months’ written notice.

12.10 **Service Agreement**

By way of a service agreement dated 28 January 2019, Mr. Zhu will be appointed as Executive Director, from the existing role of a sole Director with effect from Admission for a minimum period of twenty-four (24) months, after which the service agreement may be terminated by either party giving not less than six (6) months’ prior written notice to the other party. The service agreement can be terminated at any time and immediately by the Company in certain circumstances including gross misconduct.

By way of a service agreement dated 28 January 2019, Mr. Zhang will be appointed as Executive Director with effect from Admission for a minimum period of twenty-four (24) months, after which the service agreement may be terminated by either party giving not less than six (6) months’ prior written notice to the other party. The service agreement can be terminated at any time and immediately by the Company in certain circumstances including gross misconduct.

Pursuant to the terms of their respective service agreement, each of Mr. Zhu and Mr Zhang will be entitled to a salary of £30,000 per annum commencing from the first month after Admission to be paid in arrears quarterly.

12.11 **Letter of Appointment**

Norman Cumming entered into a letter of appointment dated 28 January 2019, pursuant to which he will be appointed as an independent non-executive director with effect from Admission for a minimum period of twenty-four (24) months (“Basic Term”). His respective letter of appointment may be terminated (a) after the Basic Term by either party giving six (6) months’ prior written notice to the other party; or (b) immediately and at any time by either a resolution of Shareholders or due to unsatisfactory performance.

Pursuant to his letter of appointment, Norman Cumming will be paid an annual fee of £30,000 to be paid quarterly in arrears.

12.12 **Tripartite Agreements**

Professor Nicholas Petford, the Company and the University of Northampton entered into a tripartite consultancy agreement dated 28 January 2019 with effect from Admission for a period of 24 months unless terminated. Pursuant to his tripartite agreement, Professor Nicholas Petford shall be employed by the University of Northampton and shall act a consultant for the provision of services as an independent non-executive director for 15 to 20 days per year. Professor Nicholas Petford shall be paid an annual fee of £30,000 (exclusive of VAT).

John McLean OBE, the Company and Duart Partners LLP entered into a tripartite consultancy agreement dated 28 January 2019 with effect from Admission for a period of 24 months unless terminated. Pursuant to his tripartite agreement, John McLean OBE shall be employed by Duart Partners LLP and shall act as consultant for the provision of services as an independent non-executive director to the Company and spend 15 to 25 days per year serving as consultant. John McLean OBE shall be paid an annual fee of £35,000 (exclusive of VAT).

12.13 **Deeds of Restrictive Covenants**

Each of Professor Nicholas Petford and John McLean OBE and the Company entered into a Restrictive Covenant on 28 January 2019 whereby each of them agreed for a period of 6 months immediately after termination date of their respective Tripartite Agreements as described above, to not directly or indirectly compete with, engage in, be interested in, solicit or entice away any person, firm or company within Europe that competes with the business carried on by the Company (and/or its subsidiaries and other companies in which the Company has an interest in from time to time) (“Group Company”) and Professor Nicholas Petford and John McLean OBE have been materially involved in, amongst other restrictive covenants undertaken by Professor Nicholas Petford and John McLean OBE.

13. **Significant change**

There has been no significant change in the financial or trading position of the Company since 31 May 2018, the date to which historical financial information has been prepared as set out in Part 10.

14. **Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during a period covering at least the previous twelve (12) months from the date of this document which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company.

15. **City Code**

The Company is incorporated as an exempted company under the laws of the Cayman Islands and is managed and controlled outside the United Kingdom. Accordingly, the Ordinary Shares are not subject to

the provisions of the City Code. The Company has not adopted “Code equivalent” provisions in its Articles and therefore Shareholders will not receive the benefit of the takeover offer protections provided by the City Code.

16. Sources of cash, liquidity and cash uses

The Company’s initial source of cash will be the gross proceeds of the Subscriptions, being approximately £4.152 million, further details of which are set out in paragraph 3 of this Part 14.

It will use such cash to fund the Company’s costs and expenses incurred in connection with Admission (including the costs of the Subscriptions), and the Net Proceeds will be used to fund the costs and expenses to be incurred in connection with seeking to identify and effect the first Acquisition. The Company expects to incur further costs for due diligence on target companies, businesses and/or assets and legal and other professional fees if it completes an Acquisition. Even if further Ordinary Shares are issued as vendor consideration, although the Net Proceeds will be sufficient for the Company’s pre acquisition purposes, the Net Proceeds may be insufficient for funding an Acquisition and therefore the Company is likely to need to seek additional financing.

17. Property and intellectual property

- 17.1 The Company does not own any freehold land or property, nor has it entered into any leases.
- 17.2 The Company is not dependent upon patents or licenses, industrial, commercial or financial contracts or new manufacturing processes.

18. General

- 18.1 Moore Stephens LLP, the auditor and reporting accountant of the Company, has given and has not withdrawn its written consent to the inclusion of its reports on the Company in the form set out in Part 10 (“**Historical Financial Information**”) and Part 11 (“**Report on the Unaudited Pro Forma Statement of Net Assets**”) of this document and to the references to its name in the form and context in which they appear in this document.
- 18.2 Allenby has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name in the form and context in which it appears.
- 18.3 Other than the current applications for Admission, the Ordinary Shares are not admitted to dealings on any recognised investment exchange nor has any application for such admission been made nor are there intended to be any other arrangements for dealings in the Ordinary Shares.
- 18.4 The accounting reference date of the Company is 31 December in each year.
- 18.5 Moore Stephens LLP was auditor and reporting accountant of the Company for the period covered by the historical financial information set out in Part 10 of this document. Moore Stephens LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.
- 18.6 There are no investments in progress and there are no further investments on which the Directors have already made firm commitments which are significant to the Company.
- 18.7 Save as disclosed in this document, the Directors are not aware of any trade uncertainties, demands or errors that are reasonably likely to have a material effect on the Company’s prospects for the current financial year.
- 18.8 The Directors are not aware of any environmental issues which may affect the Company’s utilisation of its tangible fixed assets (if any).
- 18.9 No expenses related to the Admission are being charged to the Subscribers.

19. Documents available for inspection

Copies of the following documents may be inspected at the office of the Company's financial adviser, Allenby, located at 5 St Helen's Place, London EC3A 6AB, during usual business hours on any day (except Saturdays, Sundays and public holidays) from the date of this document until Admission:

- the Memorandum;
- the Articles;
- the accountant's report issued by Moore Stephens LLP on the historical financial information of the Company as set out in Part 10 of this document;
- the historical financial information of the Company set out in Part 10 of this document; and
- the letters of consent referred to in paragraphs 18.1 and 18.2 above.

20. Availability of this document

Following Admission, copies of this document will be available for viewing free of charge at the office of the Company's financial adviser, Allenby, located at 5 St. Helen's Place, London EC3A 6AB subject to certain access restrictions applicable to persons located or resident outside the United Kingdom.

Copies of this document may be collected subject to certain access restrictions applicable to persons located or resident outside the United Kingdom, free of charge during normal business hours or from the office of the Company's Financial Adviser, Allenby Capital Limited, located at 5 St. Helen's Place, London EC3A 6AB.

Dated 28 January 2019

Part 15

Definitions

In this document, unless the context requires otherwise, the words and expressions set out below shall bear the following meanings.

“Acquisition”	an acquisition by the Company (which may be effected by merger, share exchange, asset acquisition, share purchase, scheme of arrangement, reorganisation or similar business combination) of a controlling interest in, one or more European based schools implementing the International Baccalaureate (IB) program, as further described in Part 7
“Admission”	admission of the Ordinary Shares to the standard segment of the Official List of the UK Listing Authority by way of Standard Listing and to trading on the Main Market
“Admission Subscribers”	persons subscribing under the Admission Subscription
“Admission Subscription”	the subscriptions for 5,390,000 Ordinary Shares conditional upon Admission
“Admission Subscription Shares”	the Ordinary Shares issued pursuant to the Admission Subscription
“Allenby”	Allenby Capital Limited, Financial Adviser and Broker to the Company
“Allenby Engagement Letter”	the Allenby engagement letter dated 4 July 2018, details of which are set out in paragraph 12.3 of Part 14
“Articles”	the articles of association of the Company (as amended from time to time)
“Board”	the board of directors of the Company from time to time
“certificated” or “in certificated form”	in relation to an Ordinary Share, title to which is recorded in the register of Shareholders as being held in certificated form (that is, not in CREST)
“City Code”	The City Code on Takeovers and Mergers issued and administered by the United Kingdom Panel on Takeovers and Mergers (as amended from time to time)
“Companies Act 2006”	the Companies Act 2006 of the United Kingdom (as amended from time to time)
“Companies Law”	the Companies Law (Cap.22) of the Cayman Islands (as amended from time to time)
“Company”	Starcrest Education The Belt & Road Limited, a company incorporated in the Cayman Islands with registered number 337619 having its registered office at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands
“Company Law of China”	The Company Law of the People’s Republic of China
“Covenantors”	Mr. Zhu, Mr. Zhang and the four Chinese individuals interested in 30 per cent. of the registered capital of Shenzhen Xin Jiu Tian

“CREST”	the relevant system (as defined in the CREST Regulations) operated by Euroclear in accordance with which securities may be held and transferred in uncertificated form
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001No. 3755) (as amended from time to time)
“Deed Poll”	the deed poll dated 21 December 2018, details of which are set out in paragraph 1 of Part 12
“Depository”	Computershare Investor Services PLC
“Depository Agreement”	the depository agreement dated 28 January 2019, details of which are set out in paragraph 2 of Part 12
“Depository Interests”	the dematerialised depository interests in respect of the Ordinary Shares to be issued by the Depository
“Directors”	the directors of the Company from time to time, including those persons who will become Directors of the Company on Admission as described in Part 5; and each a “Director”
“Disclosure Guidance and Transparency Rules”	the Disclosure Guidance and Transparency Rules issued by the FCA
“Enlarged Share Capital”	the 21,560,000 issued Ordinary Shares upon Admission, including the existing 800,000 Ordinary Shares held by Starcrest Education on the date of this document, the Original Subscription Shares and the Admission Subscription Shares
“Euroclear”	Euroclear UK & Ireland Limited
“Executive Directors”	Mr. Zhu and Mr. Zhang
“FCA”	the Financial Conduct Authority of the United Kingdom (or any such body appointed in replacement thereof)
“Financial Adviser and Broker”	Allenby Capital Limited
“FSMA”	the Financial Services and Markets Act 2000 (as amended from time to time)
“HMRC”	Her Majesty’s Revenue and Customs of the United Kingdom
“IFRS”	International Financial Reporting Standards as adopted by the European Union
“Independent Non-Executive Directors”	John McLean OBE, Norman Cumming and Professor Nicholas Petford
“Introduction Agreement”	the introduction agreement, details of which are set out in paragraph 12.4 of Part 14
“Listing Coordinator”	L&S Capital Limited, 3rd Floor, 166 College Road, Harrow, Middlesex, HA1 1BH, United Kingdom
“Listing Coordinator Agreement”	the listing coordinator agreement, further details of which are set out in paragraph 12.5 of Part 14
“Listing Rules”	the Listing Rules made by the FCA under Part VI of the FSMA (as amended from time to time)

“Lock-in and Orderly Market Agreements”	the lock-in and orderly market agreements each dated 28 January 2019, details of which are set out in paragraph 12.7 of Part 14
“London Stock Exchange” or “LSE”	London Stock Exchange plc
“Main Market”	the main market for listed securities of the LSE
“Market Abuse Regulation”	Regulation (EU) No. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse
“Memorandum”	the memorandum of the Company
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company (as amended from time)
“Mr. Zhang”	Mr. Zhang Xiaojun
“Mr. Zhu”	Mr. Zhu Xingchen
“Net Proceeds”	the funds received (i) in connection with the Original Subscription and (ii) received on completion of the Admission Subscription, less any expenses payable in connection with the Subscriptions and Admission
“Official List”	the Official List of the United Kingdom Listing Authority
“Ordinary Resolution”	a resolution of a duly constituted general meeting of the Company passed by a simple majority of the votes cast by, or on behalf of, the Shareholders entitled to vote present in person or by proxy and voting at the meeting and includes a unanimous written resolution of all Shareholders entitled to vote and expressed to be an ordinary resolution
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of the Company
“Original Subscriber”	the person subscribing under the Original Subscription, which is Starcrest Education
“Original Subscription”	the subscription by Starcrest Education for 15,370,000 Ordinary Shares conditional upon Admission
“Original Subscription Shares”	the Ordinary Shares issued pursuant to the Original Subscription
“Premium Listing”	a premium listing of shares on the Official List under chapter 6 of the Listing Rules
“Prospectus Rules”	the Prospectus Rules made by the FCA under section 73A of FSMA (as amended from time to time)
“QCA Code”	the QCA Corporate Governance Code published in 2018, as amended from time to time
“Register of Members”	the Company’s register of members
“Registrar”	Computershare Investor Services (Cayman) Limited
“Registrar Agreement”	the registrar agreement dated 11 December 2018, details of which are set out in paragraph 12.9 of Part 14

“Related Parties”	Shenzhen Xin Jiu Tian, Shenzhen Xingchen and Starcrest Education and any nominee of them or the Company
“Relationship Deeds”	the relationship deeds dated 28 January 2019, details of which are set out in paragraph 12.8 of Part 14
“Securities Act”	the United States Securities Act of 1933 (as amended)
“Shareholders” or “Shareholder”	holder or holders of Ordinary Shares
“Shenzhen Xin Jiu Tian”	Shenzhen Xin Jiu Tian Investment Holdings Ltd, a company incorporated in China on 17 May 2016
“Shenzhen Xingchen”	Shenzhen Xing Chen Investment Holdings Ltd, a company incorporated in China on 2 April 2018
“Special Resolution”	(i) a resolution of a duly constituted general meeting of the Company passed by not less than three quarters of the votes cast by, or on behalf of, the duly registered shareholders entitled to vote present in person or by proxy and voting at the meeting; or (ii) a unanimous written resolution of all duly registered shareholders entitled to vote and expressed to be a special resolution; or (iii) as defined under the Memorandum and Articles of Association
“Standard Listing”	a standard listing of shares on the Official List under Chapter 14 of the Listing Rules
“Starcrest Education”	Starcrest Education Management Company Ltd, a company incorporated in China on 6 May 2015
“Subscribers”	those persons who have signed Subscription Agreements
“Subscription Agreements”	the agreements entered into between the Company and the Subscribers setting out the terms and conditions of the Subscriptions dated on or about 28 January 2019
“Subscription Price”	20 pence per Ordinary Share
“Subscription Shares”	the Ordinary Shares to be issued pursuant to the Original Subscription and the Admission Subscription
“Subscriptions”	the Original Subscription and the Admission Subscription
“Transparency Rules”	the transparency rules and corporate governance rules made by the FCA under Part VI of FSMA
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UKLA” or “United Kingdom Listing Authority”	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“£” or “GBP” or “pounds sterling”	United Kingdom pounds sterling, the official currency of the United Kingdom
“\$” or “US\$” or “US Dollars”	United States dollars, the official currency of the United States

In this document words denoting any gender include all genders and the singular includes the plural (and vice versa).

