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Renrui Human Resources Technology Holdings Limited

人瑞人才科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6919)

**MAJOR TRANSACTIONS
IN RELATION TO
SUBSCRIPTIONS OF FINANCIAL PRODUCTS**

Capitalised terms used on this cover page have the same meaning as defined in the section headed “Definitions” in this circular, unless the context indicates otherwise.

A letter from the Board is set out on pages 3 to 25 of this circular

The BNPP Financial Product Transactions have been approved by written shareholders’ approval obtained from the Relevant Shareholders, “a closely allied group of Shareholders” of the Company, pursuant to Rule 14.44 of the Listing Rules in lieu of a general meeting of the Company. This circular is to be despatched to the Shareholders for information only.

29 May 2020

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“BNPP DCI”	BNPP Dual Currency Investment
“BNPP Financial Product Transactions”	the transactions entered into between the Company and BNP Paribas in relation to the subscription of the BNPP Financial Products
“BNPP Financial Products”	the BNPP DCI, BNPP Runner Note Products and BNPP Sharkfin Products
“BNPP Runner Note Products”	BNPP Runner Certificates (HKD225 million) and BNPP Runner Certificates (HKD150 million)
“BNPP Sharkfin Products”	BNPP Sharkfin Certificates (RMB8.98 million — Upper Trigger) and BNPP Sharkfin Certificates (RMB8.97 million — Lower Trigger)
“Board”	the board of Directors
“Chengdu Tianfu”	Chengdu Tianfu Renrui Education Consultation Co., Ltd. (成都天符人瑞教育諮詢有限公司), a company established in the PRC on 2 February 2010 and one of the entities that the Company controls through a series of contractual arrangements
“close associate”	has the meaning ascribed thereto under the Listing Rules
“CMB Financial Product Transactions”	the transactions entered into between the Group and China Merchants Bank in relation to the subscription of the CMB Financial Products
“CMB Financial Products”	the CMB Structured Deposit and CMB Principal-preservation Wealth Management Scheme (Product code: 8688)
“Company”	Renrui Human Resources Technology Holdings Limited (人瑞人才科技控股有限公司), an exempted company incorporated in the Cayman Islands on 14 October 2011 with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Financial Products”	the BNPP Financial Products and CMB Financial Products
“Founders”	Mr. JG Zhang, Mr. F Zhang and Ms. JM Zhang
“Group”	the Company and its subsidiaries

DEFINITIONS

“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	26 May 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing and Global Offering”	the listing and global offering of the Shares pursuant to the terms of the Prospectus
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. F Zhang”	Mr. ZHANG Feng (張峰), one of the Founders and an executive Director
“Mr. JG Zhang”	Mr. ZHANG Jianguo (張建國), one of the Founders and an executive Director
“Ms. JM Zhang”	Ms. ZHANG Jianmei (張健梅), one of the Founders and an executive Director
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus of the Company dated 3 December 2019 in respect of the Listing and Global Offering
“Relevant Shareholders”	Mr. JG Zhang, Mr. F Zhang, Ms. JM Zhang, LC Fund V, L.P. and LC Parallel Fund V, L.P.
“Shanghai Renhui”	Shanghai Renhui Human Resources Service Co., Ltd. (上海人惠人力資源服務有限公司), a company established in the PRC on 27 April 2012 with limited liability and one of the indirect wholly-owned subsidiaries of the Company
“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriptions”	the subscriptions of the Financial Products
“%”	per cent



Renrui Human Resources Technology Holdings Limited

人瑞人才科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6919)

Executive Directors:

Mr. Zhang Jianguo

(Chairman and Chief Executive Officer)

Mr. Zhang Feng

Ms. Zhang Jianmei

Non-executive Directors:

Mr. Chen Rui

Mr. Chow Siu Lui

Independent non-executive Directors:

Ms. Chan Mei Bo Mabel

Mr. Shen Hao

Mr. Leung Ming Shu

Registered office:

Maples Corporate Services Limited

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

Corporate Headquarters:

No. 601, 602, 603, 6/F, Block 3

No. 688 Mid-Section Tianfu Avenue

Chengdu High-tech Zone

Free Trade Pilot Zone

Sichuan

PRC

Principal place of business in Hong Kong:

14/F, Golden Centre

188 Des Voeux Road Central

Hong Kong

29 May 2020

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTIONS
IN RELATION TO
SUBSCRIPTIONS OF FINANCIAL PRODUCTS**

INTRODUCTION

Reference is made to the announcement made by the Company on 10 May 2020 in respect of the Subscriptions by the Group between December 2019 and April 2020.

LETTER FROM THE BOARD

As one of the applicable percentage ratios in respect of the BNPP Financial Product Transactions are more than 25% but less than 100%, the BNPP Financial Product Transactions constitute major transactions of the Company under Chapter 14 of the Listing Rules and would be subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The BNPP Financial Product Transactions have been approved by written shareholders' approval obtained from the Relevant Shareholders, "a closely allied group of Shareholders" of the Company, pursuant to Rule 14.44 of the Listing Rules in lieu of a general meeting of the Company.

The purpose of this circular is to provide (i) further details of the Subscriptions and the transactions contemplated thereunder; and (ii) the financial and other information of the Group.

SUMMARY OF KEY TERMS OF THE FINANCIAL PRODUCTS

A summary of key terms of the Financial Products are set out as follows:

(1) BNPP DCI

Name of product : Dual Currency Investment

Date of subscription :

1. 13 February 2020
2. 13 February 2020
3. 13 February 2020
4. 13 February 2020
5. 13 February 2020
6. 13 February 2020
7. 13 February 2020
8. 13 February 2020
9. 13 February 2020
10. 13 February 2020
11. 13 February 2020
12. 13 February 2020
13. 13 February 2020
14. 13 February 2020
15. 28 February 2020
16. 28 February 2020
17. 28 February 2020
18. 5 March 2020
19. 5 March 2020
20. 5 March 2020
21. 5 March 2020
22. 13 March 2020
23. 13 March 2020
24. 13 March 2020
25. 13 March 2020
26. 13 March 2020
27. 13 March 2020

LETTER FROM THE BOARD

28. 13 March 2020
29. 13 March 2020
30. 13 March 2020
31. 13 March 2020
32. 26 March 2020

Parties : The Company, as the subscriber

Principal/subscription amount	:	1.	HKD25,000,000.00
		2.	HKD25,000,000.00
		3.	HKD20,000,000.00
		4.	HKD20,000,000.00
		5.	HKD20,000,000.00
		6.	HKD20,000,000.00
		7.	HKD20,000,000.00
		8.	HKD20,000,000.00
		9.	HKD20,000,000.00
		10.	HKD30,000,000.00
		11.	HKD30,000,000.00
		12.	HKD30,000,000.00
		13.	HKD30,000,000.00
		14.	HKD30,000,000.00
		15.	HKD25,079,658.63
		16.	HKD20,076,512.33
		17.	HKD22,385,651.17
		18.	HKD34,558,392.86
		19.	HKD34,038,421.92
		20.	HKD34,036,131.51
		21.	HKD34,034,213.70
		22.	HKD26,900,000.00
		23.	HKD26,900,000.00
		24.	HKD26,900,000.00
		25.	HKD13,900,000.00
		26.	HKD13,900,000.00
		27.	HKD13,900,000.00
		28.	HKD13,900,000.00
		29.	HKD13,900,000.00
		30.	HKD13,900,000.00
		31.	HKD13,900,000.00
		32.	HKD843,357.47

Note: this product has been subscribed for on a rollover basis and the maximum amount of subscription was RMB318,870,000, which has been used for the calculation of the assets ratio.

LETTER FROM THE BOARD

- Term of investment : 1. From 18 February 2020 to 2 March 2020
2. From 18 February 2020 to 2 March 2020
3. From 18 February 2020 to 2 March 2020
4. From 18 February 2020 to 2 March 2020
5. From 18 February 2020 to 9 March 2020
6. From 18 February 2020 to 9 March 2020
7. From 18 February 2020 to 9 March 2020
8. From 18 February 2020 to 9 March 2020
9. From 18 February 2020 to 9 March 2020
10. From 18 February 2020 to 18 March 2020
11. From 18 February 2020 to 18 March 2020
12. From 18 February 2020 to 18 March 2020
13. From 18 February 2020 to 18 March 2020
14. From 18 February 2020 to 18 March 2020
15. From 3 March 2020 to 17 March 2020
16. From 3 March 2020 to 17 March 2020
17. From 3 March 2020 to 17 March 2020
18. From 9 March 2020 to 16 March 2020
19. From 9 March 2020 to 16 March 2020
20. From 9 March 2020 to 16 March 2020
21. From 9 March 2020 to 16 March 2020
22. From 13 March 2020 to 24 March 2020
23. From 13 March 2020 to 24 March 2020
24. From 13 March 2020 to 24 March 2020
25. From 13 March 2020 to 24 March 2020
26. From 13 March 2020 to 31 March 2020
27. From 13 March 2020 to 24 March 2020
28. From 13 March 2020 to 31 March 2020
29. From 13 March 2020 to 31 March 2020
30. From 13 March 2020 to 31 March 2020
31. From 13 March 2020 to 31 March 2020
32. From 30 March 2020 to 15 April 2020
- Type of return : Interest and foreign exchange hedging
- Settlement : (1) If the RMB/HKD exchange rate is below the Strike Price at 2:00 p.m. Hong Kong time on the Fixing Date, the bank shall pay the Company in RMB according to the following formula, namely, principal amount x (1 + Interest Rate) / Strike Price
- (2) If the RMB/HKD exchange rate is at or above the Strike Price at 2:00 p.m. Hong Kong time on the Fixing Date, the bank shall pay the Company in HKD = principal amount x (1 + Interest Rate)

LETTER FROM THE BOARD

“Fixing Date”, “Interest Rate” and “Strike Price” bear the following meanings:

No.	Fixing Date	Interest Rate	Strike Price
1.	27 February 2020	6.3140%	1.1098
2.	27 February 2020	5.4260%	1.1084
3.	27 February 2020	4.8020%	1.1070
4.	27 February 2020	4.2740%	1.1056
5.	5 March 2020	3.9530%	1.1045
6.	5 March 2020	3.7130%	1.1035
7.	5 March 2020	3.5060%	1.1025
8.	5 March 2020	3.2970%	1.1015
9.	5 March 2020	3.1220%	1.1040
10.	16 March 2020	3.4860%	1.0994
11.	16 March 2020	3.3420%	1.0984
12.	16 March 2020	3.2100%	1.0973
13.	16 March 2020	3.0900%	1.0964
14.	16 March 2020	2.9700%	1.0953
15.	13 March 2020	9.0000%	1.1120
16.	13 March 2020	7.1500%	1.1098
17.	13 March 2020	6.9500%	1.1084
18.	12 March 2020	5.3000%	1.1170
19.	12 March 2020	4.8200%	1.1165
20.	12 March 2020	4.3400%	1.1160
21.	12 March 2020	3.9600%	1.1155
22.	20 March 2020	16.1800%	1.1090
23.	20 March 2020	13.7800%	1.1080
24.	20 March 2020	11.8600%	1.1070
25.	20 March 2020	9.9300%	1.1060
26.	27 March 2020	9.7000%	1.1090
27.	20 March 2020	8.5000%	1.1050
28.	27 March 2020	8.4000%	1.1080
29.	27 March 2020	7.5000%	1.1070
30.	27 March 2020	6.6000%	1.1060
31.	27 March 2020	5.8800%	1.1050
32.	9 April 2020	3.0000%	1.0785

Risk rating of product : N/A

Fees, charges and expenses : N/A

Investment scope : Foreign exchange hedging (HKD and RMB exchange pair)

Early termination : N/A

LETTER FROM THE BOARD

(2) BNPP Runner Certificates (HKD225 million)

Name of product	:	Offshore Deliverable CNY HKD Runner Certificate (ISIN: XS1914469173) (“ HKD225 million Runner Certificates ”)
Date of subscription	:	13 March 2020
Parties	:	The Company, as the subscriber BNP Paribas Issuance B.V., as the issuer BNP Paribas, as the guarantor of the issuer’s due performance of its obligations under the HKD225 million Runner Certificates
Principal/subscription amount	:	HKD225,000,000
Term of investment	:	From 20 March 2020 to 28 May 2020
Type of return	:	Foreign exchange hedging
Settlement	:	(1) If the CNY HKD Fixing Rate is at or above 1.1125: The Company shall be paid the aggregate of an amount payable in HKD and an amount payable in RMB. $\text{Payment in HKD} = (1/3 \times \text{nominal amount per certificate}) \times \text{number of the HKD225 million Runner Certificates}$ $\text{Payment in RMB} = (2/3 \times \text{nominal amount per certificate} / 1.1125) \times \text{number of the HKD225 million Runner Certificates}$ (2) If the CNY HKD Fixing Rate is below 1.1125 but at or above 1.1100: $\text{Payment in HKD} = \text{nominal amount per certificate} \times \text{number of the HKD225 million Runner Certificates}$ (3) If the CNY HKD Fixing Rate is below 1.1100: $\text{Payment in RMB} = (\text{nominal amount per certificate} / 1.1100) \times \text{number of the HKD225 million Runner Certificates}$ “CNY HKD Fixing Rate” refers to the mid CNY HKD fixing rate at or around 11:30 a.m. Hong Kong time on 26 May 2020 as determined by BNP Paribas.

LETTER FROM THE BOARD

Risk rating of product	:	N/A
Fees, charges and expenses	:	N/A
Investment scope	:	Foreign exchange hedging (HKD and RMB exchange pair)
Early termination	:	BNP Paribas Issuance B.V. has the right of early redemption

(3) BNPP Runner Certificates (HKD150 million)

Name of product	:	Offshore Deliverable CNY HKD Runner Certificate (ISIN: XS1979071690) (“ HKD150 million Runner Certificates ”)
Date of subscription	:	17 March 2020
Parties	:	The Company, as the subscriber BNP Paribas Issuance B.V., as the issuer BNP Paribas, as the guarantor of the issuer’s due performance of its obligations under the HKD150 million Runner Certificates
Principal/subscription amount	:	HKD150,000,000
Term of investment	:	From 24 March 2020 to 29 June 2020
Type of return	:	Foreign exchange hedging
Settlement	:	(1) If the CNY HKD Fixing Rate is at or above 1.1120: The Company shall be paid the aggregate of an amount payable in HKD and an amount payable in RMB. Payment in HKD = $(1/3 \times \text{nominal amount per certificate}) \times \text{number of the HKD150 million Runner Certificates}$ Payment in RMB = $(2/3 \times \text{nominal amount per certificate} / 1.1120) \times \text{number of the HKD150 million Runner Certificates}$ (2) If the CNY HKD Fixing Rate is below 1.1120 but at or above 1.1010: Payment in HKD = $\text{nominal amount per certificate} \times \text{number of the HKD150 million Runner Certificates}$

LETTER FROM THE BOARD

(3) If the CNY HKD Fixing Rate is below 1.1010:

Payment in RMB = (nominal amount per certificate / 1.1010) x number of the HKD150 million Runner Certificates

“CNY HKD Fixing Rate” refers to the mid CNY HKD fixing rate at or around 11:30 a.m. Hong Kong time on 23 June 2020 as determined by BNP Paribas.

Risk rating of product : N/A

Fees, charges and expenses : N/A

Investment scope : Foreign exchange hedging (HKD and RMB exchange pair)

Early termination : BNP Paribas Issuance B.V. has the right of early redemption

(4) BNPP Sharkfin Certificates (RMB8.98 million — Upper Trigger)

Name of product : Quanto Offshore CNY 6 Months Sharkfin Certificate linked to Gold (ISIN: XS2074215026) (the “**RMB8.98 million Certificates**”)

Date of subscription : 21 February 2020

Parties : The Company, as the subscriber

BNP Paribas Issuance B.V., as the issuer

BNP Paribas, as the guarantor of the issuer’s due performance of its obligations under the RMB8.98 million Certificates

Principal/subscription amount : RMB8,980,000

Term of investment : From 28 February 2020 to 4 September 2020 (subject to postponement due to Market Disruption Event (such term as defined in the RMB8.98 million Certificates))

Type of return : Principal-preservation with floating return

Expected return : If on any Commodity Business Day during the Trigger Event Determination Period, the Commodity Reference Price is more than US\$1,824.063 per troy ounce, then:

Return = 0

LETTER FROM THE BOARD

If the Commodity Reference Price on all Commodity Business Days during the Trigger Event Determination Period is at or below US\$1,824.063, then:

Return = principal amount of the RMB8.98 million Certificates x (Commodity Reference Price on the Final Pricing Date / Commodity Reference Price on the Initial Pricing Date - 1) or 0, whichever is higher

“Commodity Business Day” refers to any day (i) on which each exchange which has announced or published the Commodity Reference Price is open for trading during their respective regular trading sessions; (ii) in respect of which the London Bullion Market Association published a price for Gold P.M. Fix; and (iii) which, but for the occurrence of a Market Disruption Event (such term as defined in the RMB8.98 million Certificates), would have been a day as described in (i) or (ii) above.

“Commodity Reference Price” refers to the afternoon fixing price of Gold P.M. Fix per troy ounce quoted in US\$ by The London Gold Market (published by the London Bullion Market Association) usually at 3:00 p.m.

“Final Pricing Date” refers to 28 August 2020 or, where such day is not a Commodity Business Day or where a Market Disruption Event (such term as defined in the RMB8.98 million Certificates) occurs on such day, a day as determined in accordance with the terms and conditions of the RMB8.98 million Certificates.

“Initial Pricing Date” refers to 21 February 2020 or, where such day is not a Commodity Business Day or where a Market Disruption Event (such term as defined in the RMB8.98 million Certificates) occurs on such day, a day as determined in accordance with the terms and conditions of the RMB8.98 million Certificates.

“Trigger Event Determination Period” refers to the period from but excluding the Initial Pricing Date to and including the Final Pricing Date.

Risk rating of product : N/A
Fees, charges and expenses : N/A
Investment scope : Gold

LETTER FROM THE BOARD

Early termination : BNP Paribas Issuance B.V. has the right of early redemption.

Upon occurrence of Market Disruption Event (such term as defined in the RMB8.98 million Certificates), BNP Paribas Issuance B.V. may, on notice given to the Company, redeem all the RMB8.98 million Certificates by payment of fair market value.

(5) BNPP Sharkfin Certificates (RMB8.97 million — Lower Trigger)

Name of product : Quanto Offshore CNY 6 Months Sharkfin Certificate linked to Gold (ISIN: XS2074215455) (the “**RMB 8.97 million Certificates**”)

Date of subscription : 21 February 2020

Parties : The Company, as the subscriber

BNP Paribas Issuance B.V., as the issuer

BNP Paribas, as the guarantor of the issuer’s due performance of its obligations under the RMB8.97 million Certificates

Principal/subscription amount : RMB8,970,000

Term of investment : From 28 February 2020 to 4 September 2020 (subject to postponement due to Market Disruption Event (such term as defined in the RMB8.97 million Certificates))

Type of return : Principal-preservation with floating return

Expected return : If on any Commodity Business Day during the Trigger Event Determination Period, the Commodity Reference Price is less than US\$1,594.001 per troy ounce, then:

Return = principal amount of the RMB 8.97 million Certificates x 1.25%

If the Commodity Reference Price on all Commodity Business Days during the Trigger Event Determination Period is at or above US\$1,594.001, then:

Return = principal amount of the RMB 8.97 million Certificates x (1 - Commodity Reference Price on the Final Pricing Date / Commodity Reference Price on the Initial Pricing Date) or 0, whichever is higher

LETTER FROM THE BOARD

“Commodity Business Day” refers to any day (i) on which each exchange which has announced or published the Commodity Reference Price is open for trading during their respective regular trading sessions; (ii) in respect of which the London Bullion Market Association published a price for Gold P.M. Fix; and (iii) which, but for the occurrence of a Market Disruption Event (such term as defined in the RMB8.97 million Certificates), would have been a day as described in (i) or (ii) above.

“Commodity Reference Price” refers to the afternoon fixing price of Gold P.M. Fix per troy ounce quoted in US\$ by The London Gold Market (published by the London Bullion Market Association) usually at 3:00 p.m.

“Final Pricing Date” refers to 28 August 2020 or, where such day is not a Commodity Business Day or where a Market Disruption Event (such term as defined in the RMB8.97 million Certificates) occurs on such day, a day as determined in accordance with the terms and conditions of the RMB8.97 million Certificates.

“Initial Pricing Date” refers to 21 February 2020 or, where such day is not a Commodity Business Day or where a Market Disruption Event (such term as defined in the RMB8.97 million Certificates) occurs on such day, a day as determined in accordance with the terms and conditions of the RMB8.97 million Certificates.

“Trigger Event Determination Period” refers to the period from but excluding the Initial Pricing Date to and including the Final Pricing Date.

Risk rating of product	:	N/A
Fees, charges and expenses	:	N/A
Investment scope	:	Gold
Early termination	:	BNP Paribas Issuance B.V. has the right of early redemption.

Upon occurrence of Market Disruption Event (such term as defined in the RMB8.97 million Certificates), the BNP Paribas Issuance B.V. may, on notice given to the Company, redeem all the RMB 8.97 million Certificates by payment of fair market value.

LETTER FROM THE BOARD

(6) CMB Structured Deposit

Name of product	:	Gold-linked Bullish Three-tier 7 Days/14 Days/ 21 Days/1 Month/3 Months Structured Deposit of China Merchants Bank (招商銀行掛鈎黃金看漲三層區間七天/十四天/二十一天/一個月/三個月結構性存款)
Date of subscription	:	<ol style="list-style-type: none">1. 17 January 20202. 23 January 20203. 4 February 20204. 17 February 20205. 18 February 20206. 21 February 20207. 28 February 20208. 4 March 20209. 24 March 202010. 26 March 202011. 31 March 202012. 1 April 202013. 1 April 2020
Parties	:	Shanghai Renhui, as the subscriber China Merchants Bank, as the issuer
Principal/subscription amount	:	<ol style="list-style-type: none">1. RMB30,000,0002. RMB45,000,0003. RMB35,000,0004. RMB30,000,0005. RMB10,000,0006. RMB10,000,0007. RMB20,000,0008. RMB20,000,0009. RMB10,000,00010. RMB8,000,00011. RMB10,000,00012. RMB10,000,00013. RMB5,000,000

Note: this product has been subscribed for on a rollover basis and the maximum amount of subscription was RMB75,000,000, which has been used for the calculation of the assets ratio.

LETTER FROM THE BOARD

- Term of investment : 1. From 17 January 2020 to 17 February 2020
2. From 23 January 2020 to 31 January 2020
3. From 5 February 2020 to 12 February 2020
4. From 17 February 2020 to 2 March 2020
5. From 18 February 2020 to 18 May 2020
6. From 21 February 2020 to 28 February 2020
7. From 28 February 2020 to 20 March 2020
8. From 5 March 2020 to 12 March 2020
9. From 25 March 2020 to 8 April 2020
10. From 27 March 2020 to 10 April 2020
11. From 1 April 2020 to 8 April 2020
12. From 2 April 2020 to 6 May 2020
13. From 2 April 2020 to 9 April 2020

Type of return : Interest

Expected return : The return shall be calculated in accordance with the following formula:

Return = subscription amount (1 + Interest Rate x term of investment / 365)

“Interest Rate” refers to the annualized interest rate set out in accordance with the following table:

No.	If the Observation Date Gold Price is:		
	at or lower than the Lower Boundary	between the Lower Boundary and the Upper Boundary	at or higher than the Upper Boundary
1.	1.15%	3.45%	3.65%
2.	1.00%	3.00%	3.20%
3.	1.00%	3.00%	3.20%
4.	1.10%	3.10%	3.30%
5.	1.35%	3.75%	3.95%
6.	1.00%	2.60%	2.80%
7.	1.10%	2.70%	2.90%
8.	1.00%	2.60%	2.80%
9.	1.10%	2.65%	2.85%
10.	1.10%	2.65%	2.85%
11.	1.00%	2.60%	2.80%
12.	1.15%	3.20%	3.40%
13.	1.00%	2.60%	2.80%

LETTER FROM THE BOARD

“Observation Date Gold Price” refers to the afternoon fixing price of gold published by the London Bullion Market Association on the relevant observation date (defined as the penultimate business day in London, United Kingdom before the relevant maturity date).

“Lower Boundary” and “Upper Boundary” refers to the gold price determined set out in the following table:

No.	Lower Boundary	Upper Boundary
1.	Initial Gold Price — USD350	Initial Gold Price + USD235
2.	Initial Gold Price — USD30	Initial Gold Price + USD130
3.	Initial Gold Price — USD140	Initial Gold Price + USD40
4.	Initial Gold Price — USD190	Initial Gold Price + USD50
5.	Initial Gold Price — USD300	Initial Gold Price + USD160
6.	Initial Gold Price — USD140	Initial Gold Price + USD40
7.	Initial Gold Price — USD190	Initial Gold Price + USD60
8.	Initial Gold Price — USD140	Initial Gold Price + USD40
9.	Initial Gold Price — USD335	Initial Gold Price + USD120
10.	Initial Gold Price — USD335	Initial Gold Price + USD120
11.	Initial Gold Price — USD335	Initial Gold Price + USD90
12.	Initial Gold Price — USD335	Initial Gold Price + USD120
13.	Initial Gold Price — USD335	Initial Gold Price + USD90

“Initial Gold Price” refers to the XAU/USD fixing price published on the Bloomberg BFIX interface at 2:00 p.m. Beijing time on the date on which accrual of interest commences.

Risk rating of product : N/A

Fees, charges and expenses : N/A

LETTER FROM THE BOARD

Investment scope : Gold

Early termination : Both the Company and China Merchants Bank do not have the right of early termination.

(7) CMB Principal-preservation Wealth Management Scheme (Product code: 8688)

Name of product : Bu Bu Sheng Jin No. 8688 Principal-preservation Wealth Management Scheme (Product code: 8688) of Go Fortune of China Merchants Bank (招商銀行點金公司理財之步步生金8688號保本理財計劃 (產品代碼: 8688))

Date of subscription : 1. 16 December 2019
2. 20 December 2019
3. 2 January 2020
4. 2 January 2020
5. 3 January 2020
6. 3 January 2020
7. 23 January 2020
8. 28 February 2020
9. 2 March 2020
10. 4 March 2020
11. 5 March 2020
12. 11 March 2020
13. 16 March 2020
14. 20 March 2020
15. 3 April 2020
16. 3 April 2020
17. 9 April 2020

Parties : Shanghai Renhui, as the subscriber
China Merchants Bank, as the issuer

Principal/subscription amount : 1. RMB10,000,000
2. RMB8,000,000
3. RMB10,000,000
4. RMB50,000,000
5. RMB14,000,000
6. RMB20,000,000
7. RMB2,400,000
8. RMB15,000,000
9. RMB20,000,000
10. RMB10,000,000
11. RMB10,000,000
12. RMB28,000,000

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13. RMB13,000,000
14. RMB15,000,000
15. RMB20,000,000
16. RMB9,000,000
17. RMB20,000,000

Note: this product has been subscribed for on a rollover basis and the maximum amount of subscription was RMB114,000,000, which has been used for the calculation of the assets ratio.

Term of investment	:	<ol style="list-style-type: none">1. From 16 December 2019 to 25 December 20192. From 20 December 2019 to 23 December 20193. From 2 January 2020 to 14 January 20204. From 2 January 2020 to 16 January 20205. From 3 January 2020 to 9 January 20206. From 3 January 2020 to 14 January 20207. From 23 January 2020 to 13 April 20208. From 28 February 2020 to 13 April 20209. From 2 March 2020 to 13 April 202010. From 4 March 2020 to 9 March 202011. From 5 March 2020 to 9 March 202012. From 11 March 2020 to 13 April 202013. From 16 March 2020 to 24 March 202014. From 20 March 2020 to 23 March 202015. From 3 April 2020 to 13 April 202016. From 3 April 2020 to 13 April 202017. From 9 April 2020 to 13 April 2020
Type of return	:	Principal-preservation with floating income
Expected return	:	The return shall be calculated in accordance with the following formula: Return = subscription amount of redeemed units x aggregate rate of annualized return in respect of every trading day during the term of investment / 365 where the annualized return is determined based on the days of investment period of the redeemed units.
Risk rating of product	:	PR1 (Conservative type)
Fees, charges and expenses	:	N/A
Investment scope	:	The wealth management funds are being applied to investing in bonds, inter-bank borrowings and reverse repurchases, bank deposits, and other financial assets.

LETTER FROM THE BOARD

Early termination : China Merchants Bank has the right of early termination with two business days' notice where, including without limitation, (i) there is any material change in national financial policies which affects the normal operation of the scheme; or (ii) the unit balance in the scheme on 10 consecutive trading days is lower than 100 million units.

Upon exercise of such right, China Merchants Bank shall pay to the subscriber its investment principal and return (if any) within three trading days.

REASONS AND BENEFITS FOR THE SUBSCRIPTIONS

As disclosed in the Prospectus, the Company would apply the proceeds from the Listing and Global Offering, to the extent that the proceeds are not immediately applied to the specific purposes disclosed in the Prospectus and to the extent permitted by applicable law and regulations, to short-term demand deposits or money market instruments.

As substantially all of the proceeds from the Listing and Global Offering, which are denominated in HKD, will be utilised in the PRC for the Group's business operations as stated in the Prospectus, the Company would need to convert the proceeds into RMB in an orderly manner. After straight conversion of approximately HKD20.0 million into RMB to meet the Group's immediate needs shortly after the Listing and Global Offering at the then spot rates, the management of the Company has been closely monitoring the RMB/HKD exchange rate and seeking advices from its financial advisers so as to exchange the portion of the remaining proceeds that are intended to be utilised in the PRC into RMB at the appropriate rates for better cash management purpose which is considered to be in the best interests of the Shareholders.

The management of the Company, after extensive consideration of the risk and return profile of the available options to convert HKD into RMB, had decided to invest in the BNPP DCI, pursuant to which the Company could ensure the conversion of the proceeds from HKD into RMB gradually at exchange rates acceptable to the management in an orderly manner over a period of time, while at the same time being able to generate a stable rate of return by earning interest income. As the BNPP DCI is designed to only convert the proceeds from HKD into RMB when the actual RMB/HKD exchange rate at a predetermined date falls below the agreed exchange rate, while the proceeds would not be converted into RMB if the RMB/HKD exchange rate at a predetermined date rises above the agreed exchange rate, the use of the BNPP DCI may not result in a successful conversion every time and hence, the HKD to RMB conversion process using the BNPP DCI would be relatively slow. Nevertheless, the Company considered this to be a reasonable option then available for use to convert its proceeds from HKD into RMB at the time given that (i) the Company had already converted approximately HKD20.0 million into RMB to meet its immediate needs shortly after the Listing and Global Offering as stated above so the Company considered it to be reasonable and prudent to observe the RMB/HKD exchange rate movement before converting more HKD into RMB; and (ii) converting all of the remaining proceeds that are intended to be utilised in the PRC at the spot rate into RMB on any particular day would not be in the best interests of the Company and the Shareholders as it would fail to take into account the future RMB/HKD exchange rate movement and therefore, was not considered as a sound hedging strategy.

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Subsequently, the Directors noted that the RMB/HKD exchange rate had been particularly volatile since February 2020 during the large-scale outbreak of COVID-19. In particular, RMB appreciated rapidly against HKD from 1RMB to 1.10996HKD as at 27 February 2020 to 1RMB to 1.13061HKD as at 9 March 2020 (representing close to 2% appreciation in a 12-day time span)¹. With a view to as much as possible safeguarding the Group from the possible adverse impact arising from the volatility of the RMB/HKD exchange rate during such difficult times for the best interest of the Company and the Shareholders and in particular, after taking into account that the HKD interests expected to be accrued from the BNPP DCI may not be able to offset the rate of appreciation of RMB against HKD, the management of the Company had decided to apply those proceeds which are intended to be utilised in the PRC but had not yet been converted from HKD into RMB pursuant to the BNPP DCI or otherwise to subscribe for the BNPP Runner Note Products on 13 March 2020 and 17 March 2020, respectively, for the purpose of further hedging against the medium-to-long term RMB/HKD exchange rate fluctuation risk. The BNPP Runner Note Products, despite not being capable of generating any interest income, are designed to facilitate the conversion of all or a majority of the investment amount from HKD into RMB unless the actual RMB/HKD exchange rate at a predetermined date falls within a pre-agreed range. For both of the BNPP Runner Note Products, the pre-agreed range is smaller than 1% of the RMB/HKD exchange rate at the opening of their respective subscription date. This feature of the BNPP Runner Note Products, coupled with their longer investment terms, leads to a considerably higher likelihood of conversion from HKD into RMB comparing to the BNPP DCI amidst a volatile RMB/HKD exchange market, thereby enabling the Company to further hedge against the medium-to-long term RMB/HKD exchange rate fluctuation risk.

In relation to those proceeds which had been converted from HKD to RMB but are intended to be utilised only in the second half of 2020 or later as well as those idle cash generated from the business operations of the Group in the PRC, as part of the treasury activities of the Company, the management of the Company had decided to subscribe for certain short-term (i.e. for a term of no more than six months) financial products issued by reputable financial institutions or corporations, such as the BNPP Sharkfin Products and CMB Financial Products, in order to generate better investment returns as compared to the interests generated by fixed-term deposit placed with banks or licensed financial institutions.

The consideration in relation to the Subscriptions was determined after taking into account various factors including the purpose of cash management, risk level, investment terms/duration/maturity date and annualised rate of return of the Financial Products.

Notwithstanding that the Subscriptions were predominantly funded by the temporarily idle proceeds of the Company raised from the Listing and Global Offering, the Company would like to stress that the Subscriptions are short-term in nature and hence, will not affect the spending profile of the proceeds from the Listing and Global Offering in accordance with the future plans of the Group as set out in the Prospectus.

Accordingly, the Directors are of the view that the Subscriptions are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

¹ Source: ICE Data Services

LETTER FROM THE BOARD

IMPLICATIONS UNDER THE LISTING RULES

In respect of the BNPP Financial Product Transactions

As the BNPP DCI, BNPP Runner Note Products and BNPP Sharkfin Products have been subscribed for with the same financial institution, the transactions related thereto have been aggregated and treated as if they were one transaction with that financial institution for the purpose of computing the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios in respect of the BNPP Financial Product Transactions are more than 25% but less than 100%, the BNPP Financial Product Transactions constitute major transactions of the Company under Chapter 14 of the Listing Rules and would be subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Confirmation from a closely allied group of Shareholders

Mr. JG Zhang, Mr. F Zhang, Ms. JM Zhang, LC Fund V, L.P. and LC Parallel Fund V, L.P. constitutes a "a closely allied group of Shareholders" of the Company under Rule 14.45 of the Listing Rules for the following reasons:

1. Mr. JG Zhang, Mr. F Zhang and Ms. JM Zhang are founders of the Group and entered into an acting in concert deed on 18 January 2019.
2. The Company had undergone four rounds of pre-IPO investments, i.e. series A investment, series B1 investment, series B2 investment, series C investment, series D1 investment and series D2 investment between 2012 and 2018.
3. LC Fund V, L.P. and LC Parallel Fund V, L.P. became shareholders of the Company since 2012 as strategic investors in series A investment, which is the earliest batch of pre-IPO investments in the Company, and they had nominated Mr. Chen Rui as a Director since they became shareholders of the Company.
4. On 16 July 2018, a shareholders' agreement was entered into between, among others, LC Fund V, L.P., LC Parallel Fund V, L.P., the Founders and the Company pursuant to which the then shareholders of the Company have agreed on various matters including certain shareholdings' rights in respect of the governance of the Company.
5. Since LC Fund V, L.P. and LC Parallel Fund V, L.P. became shareholders of the Company, they have fostered an amicable and professional relationship with the Founders. Mr. Chen has participated in all of the board meetings of the Company since LC Fund V, L.P. and LC Parallel Fund V, L.P. respectively became shareholders of the Company, and by virtue of his extensive experience in the venture capital field, has been able to provide valuable inputs to the operation and management of the Group.

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6. Up to the date of this circular, to the best knowledge of the Directors after making all reasonable enquiries, each of LC Fund V, L.P. and LC Parallel Fund V, L.P. has not disposed of any of its shares in the Company. The Directors consider that their investment in the Company and the Group has been of a long-term and strategic nature.
7. Although (1) the Founders, (2) LC Fund V, L.P., and (3) LC Parallel Fund V, L.P. are not parties acting in concert among themselves within the meaning of the Code on Takeovers and Mergers, they have voted unanimously on all shareholders' resolutions since they had become shareholders of the Company (other than routine resolutions at annual general meetings).

The Company has obtained a confirmation from the Relevant Shareholders, in respect of the BNPP Financial Product Transactions, that they have approved, confirmed and ratified the BNPP Financial Product Transactions. In addition, the Directors are given to understand that each of the Relevant Shareholders would vote in favour of the BNPP Financial Product Transactions if they were requested to vote at a general meeting for approving the BNPP Financial Product Transactions. Further, none of the Relevant Shareholders would be required to abstain from voting if the Company were to convene a general meeting for the approval of the BNPP Financial Product Transactions.

As at the date of this circular, the shareholdings of the Relevant Shareholders are summarised as follows:-

1. Mr. JG Zhang, Mr. Feng Zhang and Ms. JM Zhang, in aggregate hold 57,960,000 shares of the Company, representing approximately 37.72% of the total issued share capital of the Company²;
2. LC Fund V, L.P. holds 27,254,544 shares of the Company, representing approximately 17.74% of the total issued share capital of the Company; and
3. LC Parallel Fund V, L.P. holds 1,995,951 shares of the Company, representing approximately 1.30% of the total issued share capital of the Company.

Based on their existing shareholdings in the Company, i.e. 56.76% of the total issued share capital of the Company as at the date of this circular, and the above understanding that they would vote in favour of the BNPP Financial Product Transactions, even if a general meeting is to be convened for the purpose of considering and approving an ordinary resolution with regard to the BNPP Financial Product Transactions, more than 50% of votes will be casted in favour of such ordinary resolution and therefore, the BNPP Financial Product Transactions would be duly approved. As the Company has obtained a confirmation from the Relevant Shareholders in respect of the BNPP Financial Product Transactions, no extraordinary general meeting of the Company will be convened for the purposes of approving the BNPP Financial Product Transactions and the transactions contemplated thereunder.

2 This aggregate shareholding of Mr. JG Zhang, Mr. F Zhang and Ms. JM Zhang does not take into account the 455,800 underlying Shares and 928,800 underlying Shares which would be issued to Mr. F Zhang and Ms. JM Zhang, respectively, upon the exercise of the options granted to them under the Pre-IPO Share Option Schemes (as defined in the Prospectus).

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In respect of the CMB Financial Product Transactions

As one of the applicable percentage ratios in respect of the CMB Financial Product Transactions exceed 5% but are less than 25%, the CMB Financial Product Transactions constitute disclosable transactions for the Company and therefore are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INADVERTENT BREACH OF RULES 3A.23 AND 14.34 OF THE LISTING RULES

The failure to consult its compliance adviser before the Subscriptions pursuant to Rule 3A.23 of the Listing Rules and make timely disclosure pursuant to Rule 14.34 of the Listing Rules was due to a misunderstanding by the management of the Company, that as the Financial Products had substantially the same characteristics as high interest deposits with banks, the Subscriptions are part of the Company's treasury activities as opposed to "acquisitions" under Chapter 14 of the Listing Rules, i.e. the Subscriptions do not constitute "transactions" under Chapter 14 of the Listing Rules. As a result, the Company had not complied with the applicable requirements under Chapter 14 of the Listing Rules after the Subscriptions in a timely manner.

The Company would like to stress that legal and regulatory compliance has long been an important culture of the Group and that it has always treated compliance with the Listing Rules as a top priority since the completion of the Listing and Global Offering. The Group has been maintaining regular communications with, and seeking advice from, its professional advisers since the Listing and Global Offering on different aspects of Listing Rules compliance, but has unfortunately and regrettably not done so on this occasion on a timely basis.

REMEDIAL MEASURES

The Company deeply regrets its non-compliance with Rules 3A.23 and 14.34 of the Listing Rules but would like to stress that such non-compliance was inadvertent and the Company had no intention to withhold any information relating to the Subscriptions from disclosure.

To prevent the reoccurrence of the current instance of non-compliance, the Company intends to adopt the following measures:

1. the Company will enhance the training provided to the Directors, the senior management and responsible finance staff, including requesting its legal adviser to give seminars on the compliance requirements and practical knowledge of notifiable transactions to its staff, so as to reinforce their understanding of and to emphasize the importance of compliance with the Listing Rules;
2. the Company will strengthen the implementation of its internal control system on transactions including but not limited to strengthening the coordination and reporting arrangements for notifiable transactions among the various departments of the Company, including the finance department, the legal department, the investment department and the Board. Before entering into each agreement, the finance department will coordinate those departments to review the relevant agreement to ensure compliance with the Listing Rules;

LETTER FROM THE BOARD

3. the Company will maintain closer cooperation with its professional advisers in relation to regulatory compliance; and
4. if the Company intends to conduct similar transactions, it will seek advice from its external legal advisers and compliance adviser on whether this will trigger any disclosure or compliance requirements under the Listing Rules. If necessary, the Company will consult the Stock Exchange about the proper treatment of the proposed transaction.

INFORMATION ABOUT THE PARTIES

The Company

The Company is an investment holding company. The Group is principally engaged in the provision of one-stop human resources solutions comprising flexible staffing services, professional recruitment services, business process outsourcing services, corporate training services, labor dispatch services and other miscellaneous services in more than 150 cities in China.

BNP Paribas

BNP Paribas is an international banking group listed on the Paris Stock Exchange (ISIN code: FR0000131104). It has presence in over 70 markets and is engaged in the provision of a wide range of banking and financial services to corporate, institutional and private investors.

China Merchants Bank

China Merchants Bank is a licensed bank established under the laws of the PRC and listed on the Shanghai Stock Exchange (stock code: 600036) and the Stock Exchange (stock code: 03968). It is one of the national joint stock commercial banks in the PRC and is principally engaged in banking business.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, BNP Paribas, China Merchants Bank and their ultimate beneficial owners are third parties independent of the Group and its connected persons.

RECOMMENDATION

For the reasons as set out in the paragraph headed “Reasons and Benefits for the Subscriptions”, the Directors consider that the BNPP Financial Product Transactions are fair and reasonable and in the interests of the Group and the Shareholders as a whole. Accordingly, the Directors would recommend the Shareholders to vote in favour of the resolution if the Company were to convene an extraordinary general meeting for the approval of the BNPP Financial Product Transactions.

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ADDITIONAL INFORMATION

You attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
By Order of the Board
Renrui Human Resources Technology Holdings Limited
Zhang Jianguo
Chairman and Chief Executive Officer

1. FINANCIAL INFORMATION OF THE GROUP

By way of reference, the financial information of the Group for the three years ended 31 December 2019 are disclosed in the following documents which have been published on the respective websites of the Stock Exchange at <http://www.hkexnews.hk> and the Company at www.renruih.com:

- the Prospectus for the years ended 31 December 2017 and 2018 published on 3 December 2019, from pages I-4 to I-96; and
- the annual report of the Company for the year ended 31 December 2019 published on 28 April 2020, from pages 102 to 164.

2. INDEBTEDNESS

As at 30 April 2020, the Group had unutilised banking facilities of approximately RMB23.2 million, the Group's lease liabilities in respect of its leased properties amounted to approximately RMB66.9 million.

Save as aforesaid, the Group did not, as at 30 April 2020, have any material outstanding (i) debt securities, whether issued and outstanding, authorised or otherwise created but unissued, or term loans, whether guaranteed, unguaranteed, secured (whether the security is provided by the Group or by third parties) or unsecured; (ii) other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, whether guaranteed, unguaranteed, secured or unsecured; (iii) mortgage or charges; or (iv) guarantees or other contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that, taking into account the financial resources presently available to the Group, mainly including the internally generated funds, the Group has sufficient working capital for its requirements for at least 12 months from the date of this circular.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

It is expected that COVID-19 would impair the macroeconomy, causing significant impacts on various industries such as catering, tourism and entertainment. According to a commissioned industry report, the actual GDP growth rate in 2020 is expected to experience a setback compared with approximately 5.8% as estimated by the International Monetary Fund in October 2019 before the COVID-19 outbreak, and the annual growth rate of flexible staffing market in China for 2020 is estimated to be reduced to 20.3% as compared to 24.2% in earlier forecast made before the COVID-19 outbreak. The PRC government proposed a series of epidemic prevention and control measures which greatly affected the Group's recruitment events in January and February 2020 as well as the growth rate of flexible staffing business. After the suspension of offline recruitment events, the Group started to organise online recruitment events and interviews in early February 2020. With the gradual resumption of work by clients of the Group since March 2020, candidates who received job offers after attending online interviews started to report duties at workplace of the Group's clients. Considering the great variety of industries that the Group's clients work in such as online live platforms, online education, e-commerce, travelling, finance, real estate and retail, the impact of the

COVID-19 outbreak on the staffing needs of the Group's clients in different industries varies. As a result, the Group's operational and financial results for the period from 1 January 2020 up to the Latest Practicable Date did not experience a significant impact due to the combined effect brought by the increase or decrease in the staffing needs of the Group's clients in different industries.

Although the COVID-19 outbreak has adversely affected the overall macroeconomy, new economy companies such as online live platforms, online education and telecommuting have benefited from the epidemic, and their business volumes were significantly increased in the first quarter of 2020. In addition, as the consumers in the abovementioned industries have developed new consumption habits, these new economy companies will also have opportunities to maintain sustainable growth in the future. In 2020, the Group will continue to focus on serving fast-growing new economy clients and concentrate its resources on providing quality flexible staffing and recruitment services to its top clients as the Group has been adhering to its major client strategy. Thus, the revenue of the Group's flexible staffing is expected to continue to grow in 2020. The Group will also utilise the net proceeds from the Listing and Global Offering to further promote its brand and organise marketing and promotional activities in relation to its flexible staffing services.

To cope with the COVID-19 outbreak, in 2020, the Group launched online recruitment events and interviews which allowed us to remove the geographical constraints of traditional offline recruitment events, and hence more job applicants were attracted to participate in the recruitment events. The Group has been further improving the live streaming on an online platform and has commenced the research and development for an online interview system. Further, the research and development of an home seat management system for the outsourcing of distributed business was completed in April 2020. The Group has adopted such system in the recruitment process of its recruitment department and flexible staffing department for trial operation.

For further details, please refer to the paragraph headed "Management Discuss and Analysis — Outlook and future strategies" in the 2019 annual report of the Company.

5. FINANCIAL EFFECTS OF THE SUBSCRIPTIONS ON THE EARNINGS, ASSETS AND LIABILITIES OF THE GROUP

The Financial Products were unexpired and measured with fair value as at 30 April 2020, with corresponding negative change on mark to market value of RMB7.6 million for the four months ended 30 April 2020. The mark to market value will fluctuate and be affected by factors like market movement, strike prices predetermined on trade date, volatility, tenor (or time value) and so on. As the return would only be calculated based on the actual yield of the underlying investment portfolio upon redemption, no dividend would be declared to the Group.

During the four months ended 30 April 2020, certain Financial Products were expired and the Group received a total sum of RMB1,134.8 million in respect of the redemption of such Financial Products, comprising the return of investment cost of RMB1,128.2 million and a total gain of RMB6.6 million recognised in other gains.

As at 30 April 2020, the unaudited fair value of the Financial Products amounted to RMB373.0 million.

There is no financial effect of the Subscriptions on the liabilities of the Group.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

1) Interests and short positions of the Directors and the chief executive of the Company in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and/or short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, were as follows:

Interests in Shares and underlying Shares of the Company

Name of Director	Capacity/Nature of interest	Total number of Shares/ underlying Shares held	Approximate percentage of shareholding interest in the Company (%)
Mr. JG Zhang	Interest of controlled corporation ⁽¹⁾	46,368,000	30.17%
	Interests held jointly with other persons ⁽⁴⁾	12,976,600	8.44%
Mr. F Zhang	Interest of controlled corporation ⁽²⁾	5,796,000	3.77%
	Interests held jointly with other persons ⁽⁴⁾	53,092,800	34.55%
	Beneficial owner ⁽²⁾	455,800	0.30%
Ms. JM Zhang	Interest of controlled corporation ⁽³⁾	5,796,000	3.77%
	Interests held jointly with other persons ⁽⁴⁾	52,619,800	34.24%
	Beneficial owner ⁽³⁾	928,800	0.60%

Notes:

- (1) Ming Feng Holdings Limited (“**Ming Feng**”) is wholly owned by Mr. JG Zhang and under the SFO, Mr. JG Zhang is deemed to be interested in the 46,368,000 Shares held by Ming Feng.
- (2) Wu Fu Min Feng Holdings Limited (“**Wu Fu Min Feng**”) is wholly owned by Mr. F Zhang and under the SFO, Mr. F Zhang is deemed to be interested in the 5,796,000 Shares held by Wu Fu Min Feng. In addition, Mr. F Zhang was granted options under the Mid-senior Level Management Pre-IPO SOS (as defined in the Prospectus) which entitle him to subscribe for 455,800 Shares.
- (3) Lin Feng Holdings Limited (“**Lin Feng**”) is wholly owned by Ms. JM Zhang and under the SFO, Ms. JM Zhang is deemed to be interested in the 5,796,000 Shares held by Lin Feng. In addition, Ms. JM Zhang was granted options under the Mid-senior Level Management Pre-IPO SOS (as defined in the Prospectus) which entitle her to subscribe for 928,800 Shares.
- (4) Mr. JG Zhang, Mr. F Zhang and Ms. JM Zhang have entered into an acting in concert deed dated 18 January 2019 according to which, among other things, they acknowledged and confirmed that they will act in concert with each other in respect of all major management matters, business decisions (including but not limited to financial and operational matters), and all matters being the subject matters of any shareholders’ resolution of Ming Feng and any of the members of the Group. As such, each of Mr. JG Zhang, Mr. F Zhang and Ms. JM Zhang is deemed to be interested in the Shares and/or underlying Shares held by the other parties as they are parties acting in concert.

Interests in associated corporations of the Company

Name of Director	Associated Corporation	Capacity/Nature of interest	Amount of registered capital subscribed (RMB)	Approximate percentage of shareholding interest in the associated corporation (%)
Mr. JG Zhang	Chengdu Tianfu	Beneficial owner	4,000,000	80.00%
Mr. F Zhang	Chengdu Tianfu	Beneficial owner	500,000	10.00%
Ms. JM Zhang	Chengdu Tianfu	Beneficial owner	500,000	10.00%

Note:

As Chengdu Tianfu is a limited liability company established in the PRC, the total number of issued shares represents the total registered capital. The percentage of shareholding is determined with reference to the percentage of subscribed registered capital of each shareholder.

Save as disclosed above, so far as the Directors are aware, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the

SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

2) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial Shareholders

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Interests in Shares and underlying Shares of the Company

Name of Shareholder	Capacity/Nature of interest	Total number of Shares/ underlying Shares held	Approximate percentage of shareholding interest (%)
Wang Fen ⁽¹⁾	Interest of spouse	59,344,600	38.62%
Wu Qi ⁽²⁾	Interest of spouse	59,344,600	38.62%
Chen Bin ⁽³⁾	Interest of spouse	59,344,600	38.62%
Ming Feng	Beneficial owner	46,368,000	30.17%
LC Fund V, L.P. ⁽⁴⁾	Beneficial owner	27,254,544	17.74%
LC Fund V GP Limited ⁽⁴⁾	Interest of controlled corporation	29,250,495	19.03%
VMS Strategic Investment Fund, L.P. ⁽⁵⁾	Beneficial owner	16,747,481	10.90%
VMS Strategic Investment GP Limited ⁽⁵⁾	Interest of controlled corporation	16,747,481	10.90%
VMS Investment Management Inc. ⁽⁵⁾	Interest of controlled corporation	16,747,481	10.90%
VMS Financial Services Group Limited ⁽⁵⁾	Interest of controlled corporation	16,747,481	10.90%
VMS Holdings Limited ⁽⁵⁾	Interest of controlled corporation	16,747,481	10.90%
Mak Siu Hang Viola ⁽⁵⁾	Interest of controlled corporation	16,747,481	10.90%

Notes:

(1) Ms. Wang Fen is the spouse of Mr. JG Zhang and under the SFO, Ms. Wang Fen is deemed to be interested in the 59,344,600 Shares/underlying Shares in which Mr. JG Zhang is interested.

- (2) Ms. Wu Qi is the spouse of Mr. F Zhang and under the SFO, Ms. Wu Qi is deemed to be interested in the 59,344,600 Shares/underlying Shares in which Mr. F Zhang is interested.
- (3) Mr. Chen Bin is the spouse of Ms. JM Zhang and under the SFO, Mr. Chen Bin is deemed to be interested in the 59,344,600 Shares/underlying Shares in which Ms. JM Zhang is interested.
- (4) As LC Fund V GP Limited is the general partner of both of LC Fund V, L.P. and LC Parallel Fund V, L.P., LC Fund V GP Limited is deemed to be interested in the 27,254,544 Shares and 1,995,951 Shares held by LC Fund V, L.P. and LC Parallel Fund V, L.P., respectively.
- (5) VMS Strategic Investment Fund, L.P. holds 16,747,481 Shares and under the SFO, VMS Strategic Investment GP Limited, which is the general partner of VMS Strategic Investment Fund, L.P., is deemed to be interested in the 16,747,481 Shares held by VMS Strategic Investment Fund, L.P. VMS Strategic Investment GP Limited is wholly owned by VMS Investment Management Inc. VMS Investment Management Inc. is wholly owned by VMS Financial Services Group Limited. VMS Financial Services Group Limited is wholly owned by VMS Holdings Limited. VMS Holdings Limited is owned as to 92% by Ms. Mak Siu Hang Viola. As such, each of VMS Investment Management Inc., VMS Financial Services Group Limited, VMS Holdings Limited and Ms. Mak Siu Hang Viola is deemed to be interested in the 16,747,481 Shares held by VMS Strategic Investment Fund, L.P.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group. Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company was a director or employee of a company which has an interest or short position in the Shares and underlying shares which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter into, a service contract with any member of the Group which is not terminable by the Group within one year without payment of compensation, other than statutory compensation.

4. COMPETING INTEREST

Since February 2018, Mr. Chen Rui has been a director of Shanghai KNX Human Resources Technology Co., Ltd. (“KNX”), a non-listed company incorporated in the PRC. As confirmed by Mr. Chen, he was nominated by Beijing Legend Capital Huicheng Equity Investment L.P., a venture capital fund launched by Legend Capital, to be its board representative in KNX following its investment in KNX. The business focus of KNX is the provision of recruitment and training services via its cloud computing/SaaS platform. As further confirmed by Mr. Chen, Beijing Legend Capital Huicheng Equity Investment L.P. is merely a financial investor with a minority interest in KNX, and his role in KNX is non-executive in nature. In light of the above and given that the Group's business focus is the provision of flexible staffing services, the Directors consider that the Group's businesses and those of the businesses carried out by KNX are different in terms of business focus, and hence, do not believe that any direct or indirect competition is or is likely to be material in nature.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective close associates had any interest in a business which competes or may compete with the business of the Group.

5. INTEREST OF DIRECTORS IN ASSETS OF THE GROUP OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

Since 31 December 2019, the date to which the latest published audited accounts of the Group have been made up, none of the Directors has, or has had, any direct or indirect interest in any assets which have been acquired, disposed of by or leased to or which are proposed to be acquired, disposed of by or leased to, any member of the Group.

As at the Latest Practicable Date, none of the Directors were materially interested in any contract or arrangement entered into by any member of the Group subsisting at such date and which was significant in relation to the business of the Group.

6. MATERIAL CONTRACTS

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

- (a) a share purchase agreement dated 16 July 2018 and entered into among the Company, Macquarie Corporate Holdings Pty Limited and VMS Strategic Investment Fund, L.P., pursuant to which Macquarie Corporate Holdings Pty Limited agreed to sell to VMS Strategic Investment Fund, L.P. 8,814,464 Series B1 Preferred Shares (as defined in the Prospectus) and VMS Strategic Investment Fund, L.P. agreed to purchase from Macquarie Corporate Holdings Pty Limited these Series B1 Preferred Shares (as defined in the Prospectus) for a total consideration of US\$7,500,000;
- (b) a share subscription agreement dated 16 July 2018 and entered into among VMS Strategic Investment Fund, L.P., North Sea Investment Company Limited, Ming Feng (as defined in the Prospectus), the Company, Renrui (HK) (as defined in the Prospectus), Chengdu Qicheng WFOE (as defined in the Prospectus), Chengdu Tianfu, Mr. JG Zhang, Mr. F Zhang and Ms. JM Zhang, pursuant to which the Company agreed to issue and sell to VMS Strategic Investment Fund, L.P. and North Sea Investment Company Limited 7,933,017 Series D1 Preferred Shares (as defined in the Prospectus) and 2,833,220 Series D2 Preferred Shares (as defined in the Prospectus), respectively, and VMS Strategic Investment Fund, L.P. and North Sea Investment Company Limited agreed to subscribe for and purchase from the Company these Series D1 Preferred Shares (as defined in the Prospectus) and Series D2 Preferred Shares (as defined in the Prospectus) for a subscription price of US\$7,000,000 and US\$2,500,000, respectively;

- (c) the second amended and restated shareholders' agreement dated 16 July 2018 and entered into among Ming Feng, Macquarie Corporate Holdings Pty Limited, LC Fund V, L.P., LC Parallel Fund V, L.P., VMS Strategic Investment Fund, L.P., North Sea Investment Company Limited, Mr. JG Zhang, Mr. F Zhang, Ms. JM Zhang, the Company, Renrui (HK) (as defined in the Prospectus), Chengdu Qicheng WFOE (as defined in the Prospectus), Chengdu Tianfu, Beijing Beifang Renrui Education Consultation Co., Ltd. (北京北方人瑞教育諮詢有限公司), Beijing Ruilian (as defined in the Prospectus), Xi'an Renrui Human Resources Service Co., Ltd. (西安人瑞人力資源服務有限公司), Chengdu Renrui Vocational Training School (成都市人瑞勞動職業技能培訓學校), Wuhan Renrui Human Resources Service Co., Ltd. (武漢人瑞人力資源服務有限公司), Shanghai Renhui Human Resources Service Co., Ltd. (上海人惠人力資源服務有限公司), Chongqing Renrui Human Resources Service Co., Ltd. (重慶人瑞人力資源服務有限公司), Shenzhen Renrui Human Resources Service Co., Ltd. (深圳人瑞人力資源服務有限公司), Shanghai Renrui, Guangzhou Renrui Human Resources Service Co., Ltd. (廣州人瑞人力資源服務有限公司), Qingdao Renrui Human Resources Service Co., Ltd. (青島人瑞人力資源服務有限公司), Hefei Renrui Human Resources Service Co., Ltd. (合肥人瑞人力資源服務有限公司), Tianjin Renrui Education Consultation Co., Ltd. (天津人瑞教育信息諮詢有限公司), Nanjing Renrui Human Resources Co., Ltd. (南京人瑞勞務有限公司), Nanjing Renrui Human Resources Co., Ltd. Qinhuai Branch (南京人瑞勞務有限公司秦淮分公司), Hangzhou Renrui Human Resources Service Co., Ltd. (杭州人瑞人力資源服務有限公司), Beijing Beifang Renrui Education Consultation Co., Ltd. Jinan Branch (北京北方人瑞教育諮詢有限公司濟南分公司), Ningbo Renrui Human Resources Service Co., Ltd. (寧波人瑞人力資源服務有限公司), Guangzhou Renrui Human Resources Service Co., Ltd. Foshan Branch (廣州人瑞人力資源服務有限公司佛山分公司), Wuhan Renrui Human Resources Service Co., Ltd. Nanning Branch (武漢人瑞人力資源服務有限公司南寧分公司), Suzhou Renrui Puhui Human Resources Service Co., Ltd. (蘇州人瑞普惠人力資源服務有限公司), Suzhou Renrui Yongdao Human Resources Service Co., Ltd. (蘇州人瑞永道人力資源服務有限公司), Xinan Renrui (as defined in the Prospectus), Liaoning Renrui (as defined in the Prospectus) and Shanghai Renrui Network Technology Co., Ltd. Beijing Branch (上海人瑞網絡科技有限公司北京分公司), pursuant to which certain shareholder rights were agreed among the parties;
- (d) a convertible loan repayment agreement (as defined in the Prospectus) dated 5 September 2018 and entered into among Ma'anshan Zijinghua Shareholding Investment Partnership Corporation (Limited Partnership) (馬鞍山紫荊花股權投資合夥企業(有限合夥)), Chengdu Tianfu, Mr. JG Zhang, Ms. JM Zhang and Mr. F Zhang pursuant to which the repayment terms and obligations regarding two convertible loan investment agreements in relation to Series C Investment (as defined in the Prospectus) were amended;
- (e) a supplemental agreement to Series C Investment (as defined in the Prospectus) agreement dated 6 March 2019 and entered into among Ma'anshan Zijinghua Shareholding Investment Partnership Corporation (Limited Partnership) (馬鞍山紫荊花股權投資合夥企業(有限合夥)), Chengdu Tianfu, Chengdu Qicheng WFOE (as defined in the Prospectus), Mr. JG Zhang, Ms. JM Zhang and Mr. F Zhang in relation to Series C Investment (as defined in the Prospectus);

- (f) a supplemental agreement to Series A, B and D Investment (as defined in the Prospectus) agreement dated 12 March 2019 and entered into among LC Fund V, L.P., LC Parallel Fund V, L.P., Macquarie Corporate Holdings Pty Limited, VMS Strategic Investment Fund, L.P., North Sea Investment Company Limited, Ming Feng (as defined in the Prospectus), Mr. JG Zhang, Mr. F Zhang, Ms. JM Zhang, the Company, Renrui (HK) (as defined in the Prospectus), Chengdu Qicheng WFOE (as defined in the Prospectus), Chengdu Tianfu, Chengdu Renrui Vocational Training School (成都市人瑞勞動職業技能培訓學校), Xinan Renrui (as defined in the Prospectus), Ningbo Renrui Human Resources Service Co., Ltd. (寧波人瑞人力資源服務有限公司), Suzhou Renrui Puhui Human Resources Service Co., Ltd. (蘇州人瑞普惠人力資源服務有限公司), Suzhou Renrui Yongdao Human Resources Service Co., Ltd. (蘇州人瑞永道人力資源服務有限公司), Suzhou Renrui Yongdao Human Resources Service Co., Ltd. Quzhou Branch (蘇州人瑞永道人力資源服務有限公司衢州分公司), Shangrao Renrui Human Resources Service Co., Ltd. (上饒市人瑞人力資源服務有限公司), Liaoning Renrui (as defined in the Prospectus), Liaoning Renrui Yongdao Human Resources Service Co., Ltd. (遼寧人瑞永道人力資源服務有限公司), Liaoning Renrui Yongdao Human Resources Service Co., Ltd. Quzhou Branch (遼寧人瑞永道人力資源服務有限公司衢州分公司), Liaoning Renrui Puhui Human Resources Service Co., Ltd. (遼寧人瑞普惠人力資源服務有限公司), Beijing Renrui Human Resources Service Co., Ltd. (北京人瑞人力資源服務有限公司), Beijing Renrui Human Resources Service Co., Ltd. Jinan Branch (北京人瑞人力資源服務有限公司濟南分公司), Beijing Ruilian (as defined in the Prospectus), Shanghai Renrui Network Technology Co., Ltd. Beijing Branch (上海人瑞網絡科技有限公司北京分公司), Qingdao Renrui Human Resources Service Co., Ltd. (青島人瑞人力資源服務有限公司), Shenzhen Renrui Human Resources Service Co., Ltd. (深圳人瑞人力資源服務有限公司), Guangzhou Renrui Human Resources Service Co., Ltd. (廣州人瑞人力資源服務有限公司), Guangzhou Renrui Human Resources Service Co., Ltd. Foshan Branch (廣州人瑞人力資源服務有限公司佛山分公司), Hangzhou Renrui Human Resources Service Co., Ltd. (杭州人瑞人力資源服務有限公司), Chongqing Renrui Human Resources Service Co., Ltd. (重慶人瑞人力資源服務有限公司), Tianjin Renrui Human Resources Service Co., Ltd. (天津人瑞人力資源服務有限公司), Xi'an Renrui Human Resources Service Co., Ltd. (西安人瑞人力資源服務有限公司), Wuhan Renrui Human Resources Service Co., Ltd. (武漢人瑞人力資源服務有限公司), Wuhan Renrui Human Resources Service Co., Ltd. Nanning Branch (武漢人瑞人力資源服務有限公司南寧分公司), Wuhan Huazhong Renrui Human Resources Service Co., Ltd. (武漢華中人瑞人力資源服務有限公司), Shanghai Renhui Human Resources Service Co., Ltd. (上海人瑞人力資源服務有限公司), Shanghai Renrui, Nanjing Renrui Human Resources Co., Ltd. (南京人瑞勞務有限公司), Nanjing Renrui Human Resources Co., Ltd. Qinhuai Branch (南京人瑞勞務有限公司秦淮分公司), Hefei Renrui Human Resources Service Co., Ltd. (合肥人瑞人力資源服務有限公司), Guiyang Renrui and Shandong Renrui Human Resources Service Co., Ltd. (山東人瑞人力資源服務有限公司) in relation to Series A Investment (as defined in the Prospectus), Series B1 Investment (as defined in the Prospectus), Series B2 Investment (as defined in the Prospectus) and Series D1 and D2 Investment (as defined in the Prospectus);

- (g) an amended and restated exclusive services agreement dated 1 April 2019 and entered into among Chengdu Qicheng WFOE (as defined in the Prospectus), Chengdu Tianfu, Shanghai Renrui (as defined in the Prospectus), Beijing Ruilian (as defined in the Prospectus), Liaoning Renrui (as defined in the Prospectus), Guiyang Renrui (as defined in the Prospectus) and each of the Registered Shareholders (as defined in the Prospectus), pursuant to which Chengdu Qicheng WFOE (as defined in the Prospectus) has the exclusive right to provide, or to designate any third party to provide, technical support and consultancy services to Chengdu Tianfu, Shanghai Renrui (as defined in the Prospectus), Beijing Ruilian (as defined in the Prospectus), Liaoning Renrui (as defined in the Prospectus) and Guiyang Renrui (as defined in the Prospectus);
- (h) an amended and restated exclusive option agreement dated 1 April 2019 and entered into among Chengdu Qicheng WFOE (as defined in the Prospectus), each of the Registered Shareholders (as defined in the Prospectus) and Chengdu Tianfu, pursuant to which the Registered Shareholders (as defined in the Prospectus) unconditionally and irrevocably agreed to grant Chengdu Qicheng WFOE (as defined in the Prospectus) an exclusive, unconditional and irrevocable option for Chengdu Qicheng WFOE (as defined in the Prospectus) or its designated third party to purchase all or part of the equity interests in and/or the relevant assets of Chengdu Tianfu at the lowest price permitted under the PRC laws and regulations;
- (i) an amended and restated business operation agreement dated 1 April 2019 and entered into among Chengdu Qicheng WFOE (as defined in the Prospectus), Chengdu Tianfu, Shanghai Renrui (as defined in the Prospectus), Beijing Ruilian (as defined in the Prospectus), Liaoning Renrui (as defined in the Prospectus), Guiyang Renrui (as defined in the Prospectus) and each of the Registered Shareholders (as defined in the Prospectus), pursuant to which the Registered Shareholders (as defined in the Prospectus) agreed that, unless with the prior written consent from Chengdu Qicheng WFOE (as defined in the Prospectus) or its designated third party, Chengdu Tianfu, Shanghai Renrui (as defined in the Prospectus), Beijing Ruilian (as defined in the Prospectus), Liaoning Renrui (as defined in the Prospectus) and Guiyang Renrui (as defined in the Prospectus) will not conduct any transaction that may have impact on their assets, businesses, manpower, obligations, rights or the operation of these companies on terms as set out in this amended and restated business operation agreement;
- (j) an amended and restated share pledge agreement dated 1 April 2019 and entered into among Chengdu Qicheng WFOE (as defined in the Prospectus), each of the Registered Shareholders (as defined in the Prospectus) and Chengdu Tianfu, pursuant to which the Registered Shareholders (as defined in the Prospectus) unconditionally and irrevocably pledged all of their equity interests in Chengdu Tianfu as the first charge to Chengdu Qicheng WFOE (as defined in the Prospectus) to guarantee performance of the obligations of Chengdu Tianfu, Shanghai Renrui (as defined in the Prospectus), Beijing Ruilian (as defined in the Prospectus), Liaoning Renrui (as defined in the Prospectus), Guiyang Renrui (as defined in the Prospectus) and each of the Registered Shareholders (as defined in the Prospectus) under this amended and restated share pledge agreement, the amended and restated exclusive services agreement, the amended and restated exclusive option agreement, and the amended and restated business operation agreement as summarised in paragraphs (g), (h) and (i) above, respectively;

- (k) a power of attorney dated 1 April 2019 and entered into between the Registered Shareholders (as defined in the Prospectus) and Chengdu Qicheng WFOE (as defined in the Prospectus), pursuant to which the Registered Shareholders (as defined in the Prospectus) appointed Chengdu Qicheng WFOE (as defined in the Prospectus), or any person designated by Chengdu Qicheng WFOE (as defined in the Prospectus), as his or her attorney-in-fact to, among others, appoint directors and vote on his or her behalf on all matters of Chengdu Tianfu requiring shareholders' approval under its articles of association and under the relevant PRC laws;
- (l) a power of attorney dated 1 April 2019 and entered into between Chengdu Tianfu and Chengdu Qicheng WFOE (as defined in the Prospectus), pursuant to which Chengdu Tianfu appointed Chengdu Qicheng WFOE (as defined in the Prospectus), or any person designated by Chengdu Qicheng WFOE (as defined in the Prospectus), as its attorney-in-fact to, among others, appoint directors and vote on its behalf on all matters of the subsidiaries of Chengdu Tianfu requiring shareholders' approval under their respective articles of association and under the relevant PRC laws;
- (m) an amended and restated consent letter dated 1 April 2019 made to Chengdu Qicheng WFOE (as defined in the Prospectus) by Wang Fen, pursuant to which she unconditionally and irrevocably (i) acknowledged the entry into of the Modified Contractual Arrangements (as defined in the Prospectus) by Mr. JG Zhang; (ii) undertook that she shall not take any actions that are in conflict with the purpose and intention of the Modified Contractual Arrangements (as defined in the Prospectus), including asserting that any equity interests held by Mr. JG Zhang fall within the scope of their communal properties; and (iii) confirmed that her authorisation or consent is not required for the implementation of the Modified Contractual Arrangements (as defined in the Prospectus), any amendments thereto or the termination thereof;
- (n) an amended and restated consent letter dated 1 April 2019 made to Chengdu Qicheng WFOE (as defined in the Prospectus) by Wu Qi, pursuant to which she unconditionally and irrevocably (i) acknowledged the entry into of the Modified Contractual Arrangements (as defined in the Prospectus) by Mr. F Zhang; (ii) undertook that she shall not take any actions that are in conflict with the purpose and intention of the Modified Contractual Arrangements (as defined in the Prospectus), including asserting that any equity interests held by Mr. F Zhang fall within the scope of their communal properties; and (iii) confirmed that her authorisation or consent is not required for the implementation of the Modified Contractual Arrangements (as defined in the Prospectus), any amendments thereto or the termination thereof;
- (o) an amended and restated consent letter dated 1 April 2019 made to Chengdu Qicheng WFOE (as defined in the Prospectus) by Chen Bin, pursuant to which he unconditionally and irrevocably (i) acknowledged the entry into of the Modified Contractual Arrangements (as defined in the Prospectus) by Ms. JM Zhang; (ii) undertook that he shall not take any actions that are in conflict with the purpose and intention of the Modified Contractual Arrangements (as defined in the Prospectus), including asserting that any equity interests held by Ms. JM Zhang fall within the scope of their communal properties; and (iii) confirmed that his authorisation or consent is not required for the implementation of the Modified Contractual Arrangements (as defined in the Prospectus), any amendments thereto or the termination thereof;

- (p) a sale and purchase agreement dated 8 April 2019 and entered into between Pan Qiqi and the Company, pursuant to which the Company agreed to purchase from Pan Qiqi the entire issued share capital of Sunflower Human Resources Limited and Pan Qiqi agreed to sell to the Company such issued share capital for a total consideration of US\$45,000;
- (q) a trust deed constituting the Harvest China trust dated 26 November 2019 and entered into between the Company as settlor and Trident Trust Company (HK) Limited as original trustee, pursuant to which Trident Trust Company (HK) Limited agreed to act as the trustee to administer the Mid-senior Level Management Pre-IPO SOS (as defined in the Prospectus) and to hold or deal with the Shares to be issued upon the exercise of the options which have been granted under the Mid-senior Level Management Pre-IPO SOS (as defined in the Prospectus);
- (r) a trust deed constituting the Red Luck trust dated 26 November 2019 and entered into between the Company as settlor and Trident Trust Company (HK) Limited as original trustee, pursuant to which Trident Trust Company (HK) Limited agreed to act as the trustee to administer the Non-managerial Employee Pre-IPO SOS (as defined in the Prospectus) and to hold or deal with the Shares to be issued upon the exercise of the options which have been granted under the Non-managerial Employee Pre-IPO SOS (as defined in the Prospectus);
- (s) the Deed of Indemnity (as defined in the Prospectus);
- (t) a cornerstone investment agreement dated 29 November 2019 and entered into among the Company, Anatole Partners Enhanced Master Fund, L.P. and BNP Paribas Securities (Asia) Limited, pursuant to which the Company agreed to allot and issue and Anatole Partners Enhanced Master Fund, L.P. agreed to subscribe for such number of Shares which may be purchased with Hong Kong dollar equivalent to US\$8,500,000 at the Offer Price (as defined in the Prospectus);
- (u) a cornerstone investment agreement dated 29 November 2019 and entered into among the Company, Golden Sun (China) Limited, Swee Lian Woo, BNP Paribas Securities (Asia) Limited and UOBKH (as defined in the Prospectus), pursuant to which the Company agreed to allot and issue and Golden Sun (China) Limited agreed to subscribe for such number of Shares which may be purchased with Hong Kong dollar equivalent to US\$20,000,000 at the Offer Price; and
- (v) the Hong Kong Underwriting Agreement (as defined in the Prospectus).

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries were engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save for the potential impact of COVID-19 as disclosed in the paragraph headed “4. Financial and Trading Prospects of the Group” in Appendix I, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2019, the date to which the latest published audited financial statements of the Company were made up.

9. MISCELLANEOUS

- (a) The registered office the Company is located at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business in Hong Kong is at 14/F., Golden Centre, 188 Des Voeux Road Central, Hong Kong.
- (b) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong.
- (c) The joint company secretaries of the Company are Mr. Li Wenjia, who is a PRC certified public accountant, a PRC registered tax agent and a PRC certified public valuer, and Ms. Siu Pui Wah, who is a certified public accountant and a member of the Hong Kong Institute of Certified Public Accountants.
- (d) The English text of this circular shall prevail over the Chinese text.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at 14/F, Golden Centre, 188 Des Voeux Road Central, Hong Kong during normal business hours (except for Saturdays and public holidays) for 14 days from the date of this circular unless (i) a tropical cyclone warning signal number 8 or above is hoisted; or (ii) a black rainstorm warning signal is issued:

- (a) the memorandum and articles of association of the Company;
- (b) the letter from the Board to the Shareholders, the text of which is set out on pages 3 to 25 of this circular;
- (c) the Prospectus;

- (d) the annual report of the Company for the financial year ended 31 December 2019;
- (e) the material contracts as referred to in the paragraph headed “6. Material Contracts” in this appendix; and
- (f) this circular.