

A. WAIVERS

In preparation for the Listing, we have applied for, and been granted by the Stock Exchange, a number of waivers from strict compliance with certain provisions under the Listing Rules.

Set out below are the waivers granted to us by the Stock Exchange in light of the specific facts and circumstances applicable to us:

Relevant Rule(s) waived	Subject matter
Rule 8.12	Management presence in Hong Kong
Rule 8.17	Appointment of Joint Company Secretaries
Rule 9.09	No dealing in securities by connected person from four clear business days before hearing until listing
Rule 14A	Connected Transactions

1. MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of the executive Directors must be ordinarily resident in Hong Kong. Our Company's principal business and operations are located, managed and conducted in Australia. The entire revenue of our Company is generated from Australia, and none of our executive Directors is a Hong Kong permanent resident or is ordinarily based in Hong Kong and we expect that they will continue to be based in Australia after the Listing. As a result, our Company does not, and will not, in the foreseeable future, have a sufficient management presence in Hong Kong as required under Rule 8.12 of the Listing Rules. Further, it would be impractical and commercially unnecessary for our Company to appoint additional executive Directors who are ordinarily resident in Hong Kong or to relocate its existing Australia-based executive Directors to Hong Kong.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has agreed to grant, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules. In order to maintain regular and effective communication with the Stock Exchange, we have put in place the following measures:

- (i) we have appointed two authorised representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two authorised representatives of our Company are Dr. Zhu, the chairman of our Board, the chief executive officer and our executive Director, and one of our joint company secretaries, Ms. Yuk Yin Ivy Chow who is ordinarily resident in Hong Kong;
- (ii) any meeting between the Stock Exchange and our Directors will be arranged through the authorised representatives or our compliance adviser or directly with the Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any changes in our authorised representatives and our compliance adviser;

- (iii) each of our authorised representatives will be available to meet with the Stock Exchange within a reasonable period of time upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and email;
- (iv) each of our authorised representatives has means to contact all members of the Board (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the Directors for any matters. To enhance the communication between the Stock Exchange, the authorised representatives and the Directors, we have implemented a policy that (a) each Director will provide their respective office phone numbers, mobile phone numbers, facsimile numbers and email addresses to the authorised representatives and (b) all the Directors and authorised representatives will provide, if available, their office phone numbers, mobile phone numbers, facsimile numbers and email addresses to the Stock Exchange. In the event that a Director expects to travel or is out of office, he/she will provide the phone number of the place of his/her accommodation to our authorised representatives;
- (v) the Directors, who are not ordinarily resident in Hong Kong, have confirmed that they possess or can apply for valid travel documents to visit Hong Kong and are able to meet with the Stock Exchange within a reasonable period of time;
- (vi) we have, in compliance with Rule 3A.19 of the Listing Rules, appointed China Galaxy International Securities (Hong Kong) Co., Limited as our compliance adviser who will, among other things, in addition to the two authorised representatives of our Company, act as the additional channel of communication with the Stock Exchange for the period commencing from the Listing Date and ending on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year commencing after the Listing Date. China Galaxy International Securities (Hong Kong) Co., Limited will have full access at all times to the authorised representatives of our Company and the Directors; and
- (vii) we will also retain legal advisers to advise on on-going compliance requirements as well as other issues arising under the Listing Rules and other applicable laws and regulations of Hong Kong after the Listing.

2. APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rule 8.17 of the Listing Rules, an issuer must appoint a company secretary who satisfies Rule 3.28 of the Listing Rules. Rule 3.28 of the Listing Rules provides that an issuer must appoint as its company secretary an individual who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of a company secretary.

We have appointed Ms. Min Ying (“**Ms. Ying**”) and Ms. Yuk Yin Ivy Chow (“**Ms. Chow**”) as joint company secretaries of our Company. Ms. Ying, who is not a resident of Hong Kong, joined our Company in July 2013 as a tutor and was subsequently appointed as an accountant of our Company since July 2014. In April 2017, she was also appointed as a company secretary of our Company. She has been responsible for company secretarial duties, financial matters and a wide range of administrative affairs such as preparation of board meetings and company secretarial related works. We believe that having regard to Ms. Ying’s past experience and familiarity with our Company, she is capable of discharging the duties as a company secretary of our Company.

However, Ms. Ying does not possess full qualifications as required under Rule 3.28 of the Listing Rules and as she has not previously had personal experience of the Hong Kong regulatory system, she may not be able to fulfil the requirements under Rule 3.28 of the Listing Rules. As such, we have appointed Ms. Chow to act as a joint company secretary and to provide joint company secretarial support and assistance to Ms. Ying so as to enable Ms. Ying to acquire the relevant experience as required under Rule 3.28 of the Listing Rules and to duly discharge the functions of a company secretary. While Ms. Ying has not previously had personal experience of the Hong Kong regulatory system, she will be assisted and has the resources and expertise of Ms. Chow as a joint company secretary.

Ms. Chow has over 20 years of experience in the corporate secretarial services sector. She has been a member of both the Hong Kong Institute of Chartered Secretaries (“**HKICS**”) and the Institute of Chartered Secretaries and Administrators in the United Kingdom (“**ICSA**”) since April 1998 and has been a fellow member of HKICS and ICSA since December 2012. Accordingly, Ms. Chow satisfies the requirements of a company secretary as stipulated under Rule 3.28 of the Listing Rules.

In light of the above, we have sought and obtained from the Stock Exchange a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Ms. Ying may be appointed as our company secretary. The waiver was granted for an initial period of three years from the Listing Date and is subject to the following conditions:

- (i) we engage Ms. Chow as a joint company secretary of our Company for a minimum period of three years commencing from the Listing Date. During such period of engagement, Ms. Chow will work closely with, and provide assistance to, Ms. Ying in the discharge of her duties as a company secretary and in gaining the relevant experience as required under Rule 3.28 of the Listing Rules;
- (ii) the waiver will be revoked immediately if, save and except for health reasons, Ms. Chow ceases to provide assistance to Ms. Ying as the joint company secretary for the three-year period after Listing (in which case we will appoint a new joint company secretary who satisfies the relevant requirements under the Listing Rules and re-apply for a new waiver);
- (iii) Ms. Ying will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance her knowledge of the Listing Rules during the three-year period from the Listing Date;
- (iv) our Company will further ensure that Ms. Ying has access to the relevant training and support that would enhance her understanding of the Listing Rules and the duties of a company secretary of an issuer listed on the Stock Exchange;

- (v) before the end of the initial three-year period, the qualifications and experience of Ms. Ying and the need for on-going assistance of Ms. Chow will be further evaluated by our Company; and
- (vi) our Company will liaise with the Stock Exchange to enable it to assess whether Ms. Ying, having benefited from the assistance of Ms. Chow for three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of note 2 of Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

For further details about the biographies of Ms. Ying and Ms. Chow, please refer to the section headed “Directors and Senior Management” in the Prospectus.

3. NO DEALING IN SECURITIES BY CONNECTED PERSON FROM FOUR CLEAR BUSINESS DAYS BEFORE HEARING UNTIL LISTING

Pursuant to Rule 9.09(b) of the Listing Rules, there must be no dealing in the securities for which listing is sought by any connected person of the issuer from four clear business days (as defined in the Listing Rules) before the expected hearing date until the listing is granted.

Pre-IPO Investment by Mr. Thomas Richard Seymour and Mr. Kai Zhang

On 26 April 2017 and 27 April 2017, each of TD Seymour Pty Ltd (ACN 609 660 139) (“**TD Seymour**”) and Mr. Kai Zhang, respectively, subscribed for, and our Company has issued, 10,504 Class A Shares and 10,488 Class A Shares, to TD Seymour and Mr. Kai Zhang, respectively. Pursuant to the terms of their subscription for the above Class A Shares, each Class A Share will convert into an ordinary share in the share capital of our Company on the earlier to occur of (a) 31 December 2020, or (b) five Business Days prior to the issue of the Prospectus, or (c) such other earlier date determined by our Board in good faith to facilitate the Listing or the Trade Sale. The Third Round Pre-IPO Investment pursuant to which the Third Round Pre-IPO Investors became shareholders of the Company was not related to, and was independent of, the First Round Pre-IPO Investment. As disclosed in the section headed “History, Reorganisation and Company Structure — Our Pre-IPO Investments” in the Prospectus, the First Round Pre-IPO Investment was completed on 30 May 2016 involving PwC Nominees’ strategic investment in our Company. However, the Third Round Pre-IPO Investment was completed on 26 May 2017 involving the Third Round Pre-IPO Investors who are individual partners of PwC Australia or their related trusts that made investments in our Company as personal investments that are unconnected with and independent of PwC Australia and PwC Nominees.

For the purpose of this section, the term “**Business Day**” means a day on which banks are open for general banking business in Sydney, Australia, excluding Saturdays, Sundays or public holidays in Sydney, Australia and the term “**Trade Sale**” means the sale of all or substantially all the business and assets of our Company to a bona fide party (in each case, whether by way of sale of shares in our Company or a related body corporate, the sale of assets or otherwise).

In anticipation of and for the purpose of the Listing, the Class A Shares held by the holders of the Class A Shares, including TD Seymour and Mr. Kai Zhang, will be automatically converted into ordinary Shares (the “**Pre-Listing Conversion**”) five Business Days prior to the issue of the Prospectus, which falls within the period between four clear business days (which refers to any day on which the Stock Exchange is open for the business of dealing in securities) before the expected hearing date until the Listing. Please refer to the section “History, Reorganisation and Company Structure — Our Pre-IPO Investments” in the Prospectus for further details of the special rights of the holders of Class A Shares, including TD Seymour and Mr. Kai Zhang.

Mr. Thomas Richard Seymour is our non-executive Director and Mr. Kai Zhang is an alternate Director to Mr. Thomas Richard Seymour. TD Seymour is owned as to 50% by each of Mr. Thomas Richard Seymour and Ms. Danielle Olivia Seymour. Accordingly, TD Seymour and Mr. Kai Zhang are our core connected persons for the purpose of the Listing Rules. In view of this, the Pre-Listing Conversion would lead to a technical deviation from Rule 9.09(b) of the Listing Rules.

However, we believe the Pre-Listing Conversion will not prejudice the interests of the potential investors in our Company for the following reasons:

- (a) the material terms of their Pre-IPO investment, including the Pre-Listing Conversion, which are disclosed in the section headed “History, Reorganisation and Company Structure — Our Pre-IPO Investments” in the Prospectus, provide sufficient information to enable potential investors to make a properly informed assessment of our Company;
- (b) the Pre-Listing Conversion will automatically occur five Business Days prior to the issue of the Prospectus and does not require any additional consideration to be paid by any of the parties concerned; and
- (c) the identity of the ultimate shareholders of TD Seymour (including Mr. Thomas Richard Seymour) and the respective percentage of interests of TD Seymour and Mr. Kai Zhang in our Company will not be changed by the Pre-Listing Conversion (other than any dilution effect arising from the Global Offering) nor would they benefit from the Pre-Listing Conversion by compromising the interests of potential investors in our Company.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has, subject to the following conditions, agreed to grant, a waiver from strict compliance with the requirements under Rule 9.09(b) of the Listing Rules:

- (i) the material terms of their Pre-IPO investment, including the Pre-Listing Conversion, which are disclosed in the section headed “History, Reorganisation and Company Structure — Our Pre-IPO Investments” in the Prospectus, provide sufficient information to enable potential investors to make a properly informed assessment of our Company;
- (ii) the Pre-Listing Conversion does not require any additional consideration to be paid by any of the parties concerned; and

- (iii) the number and percentage of Shares to be transferred under the Pre-Listing Conversion are disclosed in the Prospectus, and the Pre-Listing Conversion will occur before the date of the Prospectus.

4. CONNECTED TRANSACTIONS

4.1 Connected Persons

PwC Nominees, as a nominee for PwC Australia, is a substantial shareholder of our Company. Accordingly, PwC Australia is a connected person of our Company.

4.2 The Alliance Agreement

Pursuant to the Alliance Agreement, TOP and PwC Australia agreed to establish a strategic alliance and work together to grow and promote TOP's business, including the provision of various services ("**PwC Australia Services**") by PwC Australia to TOP for a period commencing from 27 May 2016 to 31 March 2023, subject to extension as TOP and PwC Australia may agree, unless otherwise terminated by either party. The terms of the Alliance Agreement were negotiated between the parties on an arm's length basis. Further details of the Alliance Agreement are disclosed in the section headed "Business — Alliance with PwC Australia and Related Programs" in the Prospectus.

The provision of the PwC Australia Services will be subject to the standard terms of PwC Australia's engagement letters to be separately entered into with TOP as and when TOP requires the PwC Australia Services, including the service fees (the "**Service Fees**") which are calculated with reference to the nature of services provided, PwC Australia's standard rates as applicable at the time of the PwC Australia Services as well as the estimated number of chargeable hours involved.

(a) Reasons for the transactions

As mentioned in the section headed "Business — Competitive Strengths" in the Prospectus, our alliance arrangement with PwC Australia under the Alliance Agreement has provided us with a competitive advantage in that it has enhanced our standing, marketing position and future development prospects. Our strong background in business and accounting education, along with our recently founded law school, has strong synergies with PwC Australia's extensive history in business and accounting services, along with their recent growth strategy into the legal services market in Australia. The Alliance Agreement allows us to publicly use a co-brand "Top Education in alliance with PwC" at an institutional level, subject to PwC Australia's approval in each new instance, which we believe is very attractive to both students and corporate training clients, and our students also benefit from the services provided by PwC Australia under the Alliance Agreement such as the SCDP. Our students also benefit from the enhanced learning experiences with special lectures provided by PwC Australia's senior professionals, our SCDP program with PwC Australia, and work experience opportunities with PwC Australia. In the long term, our alliance with PwC Australia supports our goal of becoming a university of specialisation in the management and commerce field.

Under the Alliance Agreement, PwC Australia and TOP will also offer each other, in respect of higher education and executive education services, certain preferred terms including, but not limited to, trading terms not less favourable than those offered to any other party in the higher education sector and a first option to take up opportunities working together.

Under the Listing Rules, any written agreement for a continuing connected transaction should not be more than three years except in special circumstances where the nature of the transaction requires the agreement to be of a longer period. Given the importance of our alliance with PwC Australia which provides us with a competitive edge as discussed above, our Directors consider that it is in the interest of our Company and our Shareholders to maintain and cultivate a long-term relationship with PwC Australia to ensure its continuous participation in the development of our business and operations and enable us to maximise the long-term benefits of PwC Australia's involvement.

(b) Historical transaction amounts

The table below sets out the transaction amounts in relation to the PwC Australia Services during the Track Record Period:

	For the year ended 30 June			For the four months ended 31 October 2017
	2015	2016	2017	
	A\$'000	A\$'000	A\$'000	A\$'000
Total	-	-	536	451

Proposed annual caps and basis

The table below sets out the proposed annual caps of the transactions contemplated under the Alliance Agreement for each of the three years ending 30 June 2018, 2019 and 2020:

	Proposed annual cap for the year ending 30 June		
	2018	2019	2020
	AUD\$'000	AUD\$'000	AUD\$'000
Total	1,000	650	650

The proposed annual caps set out above for the three years ending 30 June 2020 are based on our historical transaction amounts and the expected demand for PwC Australia Services as follow:

(i) SCDP

We intend to increase SCDP cohorts from one in the year ended 30 June 2017 to four cohorts annually starting from the year ending 30 June 2018. The maximum number of students is 40 per cohort, and the first cohort of the year ending 30 June 2018 was completed in July 2017 with 31 students in attendance. This expected increase in frequency of the SCDP is based on student feedback. It is expected that the transaction amounts under SCDP will increase for the year ending 30 June 2018 and remain relatively stable for the two years ending 30 June 2020;

(ii) Corporate training

Our corporate training is co-branded with PwC Australia and we work with PwC Australia representatives in developing course materials and content where relevant. As at 31 October 2017, we have had more than 10 corporate training clients. We have also co-developed with PwC Australia The Belt and Road Development Abroad training program designed to take advantage of the interest in China's Belt and Road Initiative and we delivered this program for the first time in March 2017. It is expected that we will deliver an increasing number of corporate training programs and The Belt and Road program during the three years ending 30 June 2020, which provides a new revenue stream for us by leveraging our strengths as a higher education provider. This would increase the procurement of these training services from PwC Australia throughout the three years ending 30 June 2020;

(iii) Digital services including virtual reality

We have built an innovative VR application with PwC Australia's assistance, which is already being used in one of our accounting units. We plan to further enhance our capability in this area with PwC Australia's assistance, growing our VR modules and other digital education methods to further supplement traditional classroom learning. This includes the development of online SCDP programs, which has commenced as at the Latest Practicable Date with an initial module and will create a new revenue stream for us. Therefore, it is expected that there will be an increasing demand for PwC Australia's digital and VR services during the three years ending 30 June 2020, in particular starting from the year ending 30 June 2019 upon completion of the Listing;

(iv) Professional services

It is expected that a majority of the PwC Australia Services to be used for the year ending 30 June 2018 will be professional accounting (such as financial reporting, forecast and modelling etc.) and tax (such as tax reporting and filing etc.) related services for the purpose of the Listing, resulting in a significant increase in the proposed annual cap for the year ending 30 June 2018. We leverage on the expertise of PwC Australia to facilitate our preparation of financial statements, forecast and modelling, tax computation and filing as well as to advise us on other miscellaneous professional accounting and tax related issues. Notwithstanding that we have engaged reporting accountants and internal control adviser in relation to our proposed Listing, they are mainly responsible for performing independent audit on our financial statements as well as independent review on our internal control and financial reporting system, and will not be involved in the underlying preparation work due to independence issue. Upon Listing, it is expected that our demand for PwC Australia's professional services will significantly decrease for the two years ending 30 June 2020, resulting in a decrease in proposed annual cap for the two years ending 30 June 2020 accordingly.

(c) Implications under the Listing Rules

Since each of the applicable percentage ratios under the Listing Rules in respect of the annual cap is less than 5%, the transactions under the Alliance Agreement will be subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules, but is exempted from independent shareholders' approval.

4.3 Application for waivers

The transactions under the Alliance Agreement constitute our continuing connected transactions under Chapter 14A of the Listing Rules, which are subject to the reporting, annual review and announcement requirements of the Listing Rules. As these non-exempt continuing connected transactions are expected to continue on a recurring and continuing basis, our Directors (including our independent non-executive Directors) consider that compliance with the above announcement requirements will be impractical, will add unnecessary administrative costs and will be unduly burdensome.

Accordingly, pursuant to Rule 14A.105 of the Listing Rules, our Company has applied for, and the Stock Exchange has granted to our Company, a waiver exempting us from strict compliance with the announcement requirements of the Listing Rules, subject to the condition that the aggregate values of the continuing connected transactions for each financial year not exceeding the relevant amounts set out in the respective annual caps (as stated above) and there being no significant changes in the terms of such transactions. The waiver granted by the Stock Exchange for the above non-exempt continuing connected transactions will expire on 30 June 2020. Upon expiry of the waiver, our Company will re-comply with the then applicable Listing Rules, including the requirements for setting new monetary annual caps for the Service Fees payable by us to PwC Australia under the Alliance Agreement.

In addition, our Company has applied for, and the Stock Exchange has granted to us, a waiver from strict compliance with the requirement under Rule 14A.52 of the Listing Rules for the Alliance Agreement where its term will expire in March 2023 such that it will exceed three years.