

ROYAL CENTURY RESOURCES HOLDINGS LIMITED

and

SPACE SECURITIES LIMITED

PLACING AGREEMENT

**relating to the placing of shares in the share capital of
Royal Century Resources Holdings Limited**

Table of Contents

1.	DEFINITIONS AND INTERPRETATION	1
2.	APPOINTMENT OF THE PLACING AGENT AND THE PLACING.....	4
3.	PRESS ANNOUNCEMENT	6
4.	CONDITIONS.....	7
5.	COMPLETION OF THE PLACING.....	8
6	UNDERTAKINGS OF THE COMPANY	9
7	PAYMENT OF FEES, COMMISSIONS AND EXPENSES.....	10
8	REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS.....	11
9	INDEMNITY.....	13
10	TERMINATION	14
11	TIME OF THE ESSENCE.....	15
12	NOTICES	15
13	MISCELLANEOUS	16
14	APPLICABLE LAW AND ARBITRATION	16
	SCHEDULE 1.....	SCHEDULE1-1
	SCHEDULE 2.....	SCHEDULE2-1
	SCHEDULE 3.....	SCHEDULE3-1

THIS PLACING AGREEMENT is made on 17 January 2024

BETWEEN:

Royal Century Resources Holdings Limited, a company incorporated in Hong Kong with limited liability with its registered office at Suite 2201, 22/F China Resources Building, 26 Harbour Road, Wanchai, Hong Kong (the “**Company**”); and

Space Securities Limited, a company incorporated in Hong Kong with limited liability with its registered office at Unit 05-07, 19/F., Tower 6, The Gateway, 9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong. (the “**Placing Agent**”).

WHEREAS:

- (A) As at the date hereof, the Company has 188,136,000 issued Shares (as defined below) which are listed on the GEM (as defined below) (stock code: 8125).
- (B) The Board (as defined below) of the Company has, by way of resolutions, decided to issue and allot up to an aggregate of 37,627,200 Shares subject to the passing of the necessary resolution(s) by the Shareholders (as defined below), who are entitled to vote and not required to abstain from voting under the GEM Listing Rules (as defined below) and other applicable laws and regulations, at an extraordinary general meeting to be convened and held to consider and, if thought fit, to approve this Agreement, the Placing (as defined below) and all transactions contemplated hereunder.
- (C) The Company has agreed to appoint the Placing Agent and the Placing Agent, in reliance upon the representations, warranties and undertakings of the Company set out in this Agreement, has agreed to act as placing agent for the purpose of procuring on a best effort basis, as agent of the Company, subscribers to subscribe for the Placing Shares (as defined below) on the terms and subject to the conditions contained herein.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement, the following expressions shall have the following meanings unless the context requires otherwise:

“ Accounts Date ”	means 31 March 2023;
“ Agreement ”	means this placing agreement (as may be amended or varied from time to time by an agreement in writing duly executed by the Parties);
“ Associates ”	has the meaning ascribed thereto in the GEM Listing Rules;
“ Board ”	means the board of Directors of the Company;

“Business Day”	means any day (excluding a Saturday and Sunday) on which banks are generally open for business in Hong Kong during normal working hours;
“CCASS”	means the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited;
“Closing Date”	means the third(3 rd) Business Day upon the fulfilment of all the Conditions, or such other date as the Company and the Placing Agent may agree in writing;
“Companies Ordinance”	means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for the time being in force;
“Conditions”	means the conditions to completion of the Placing set out in Clause 4.1;
“Connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules;
“Directors”	means the directors of the Company for the time being;
“Encumbrance”	means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or any other type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect;
“Financial Reporting Council”	means the Financial Reporting Council in Hong Kong;
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Governmental Authority”	means any public, regulatory or governmental agency or authority (including the GEM Listing Committee and Stock Exchange), other relevant authority and any competent court at the national, provincial, municipal or local level in any jurisdiction;
“Group”	means the Company and its subsidiaries and the expression “member of the Group” shall be construed accordingly;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong dollars”	means Hong Kong dollars, the lawful currency of Hong

or “HK\$”	Kong;
“Parties”	means the named parties to this Agreement and their respective successors and permitted assigns and “Party” means any one of them;
“Placcee”	means any professional, institutional and other investor, independent of and not connected with the connected persons of the Company and their respective Associates, whom the Placing Agent has procured to subscribe for any of the Placing Shares pursuant to its obligations hereunder;
“Placing”	means the placing by or on behalf of the Placing Agent of the Placing Shares on the terms and subject to the conditions set out in this Agreement;
“Placing Period”	means the period commencing on the execution of this Agreement and terminating at 8:00 a.m. (Hong Kong time) on the Closing Date (or such later time and date as the Company and the Placing Agent may agree in writing), unless terminated earlier pursuant to Clause 10;
“Placing Price”	means HK\$0.201 per Share (and does not include the brokerage, SFC transaction levy, Stock Exchange trading fees and Financial Reporting Council transaction levy);
“Placing Shares”	means 37,627,200 new Shares to be issued by the Company pursuant to Clause 2.1;
“PRC”	means the People’s Republic of China, excluding, for the purposes of this Agreement, Hong Kong, Macau Special Administrative Region and Taiwan;
“Press Announcement”	means the press announcement in the form to be agreed between the Parties to be issued on behalf of the Company as soon as possible following the execution of this Agreement;
“Professional Investor Treatment Notice”	means the notice from the Placing Agent in the form set out in Schedule 1 to this Agreement;
“SFC”	means the Securities and Futures Commission of Hong Kong;
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) for the time being in force;
“Shareholders”	means holder(s) of the issued Shares;
“Shares”	means ordinary shares of the Company;

- | | |
|----------------------------|--|
| “Stock Exchange” | means The Stock Exchange of Hong Kong Limited; |
| “Subsidiary(ies)” | has the meaning ascribed to it in the GEM Listing Rules; |
| “Takeovers Code” | means the Hong Kong Code on Takeovers and Mergers issued by the SFC; and |
| “Taxation” or “Tax” | means all forms of taxation whether of Hong Kong or elsewhere in the world whenever imposed and all statutory, governmental, state, provincial, local governmental or municipal impositions, duties and levies and all penalties, charges, costs and interests relating thereto. |
- 1.2 Any reference to a document being “in the agreed form” means in the form of the draft thereof signed for identification on behalf of the Company and the Placing Agent with such alterations (if any) as may be agreed between the Company and the Placing Agent.
- 1.3 In this Agreement, references to any statute, statutory provision, GEM Listing Rules or a rule of the Takeovers Code include a reference to that statute, statutory provision, GEM Listing Rule or a rule of the Takeovers Code as from time to time amended, extended or re-enacted.
- 1.4 In this Agreement, references to persons include references to bodies corporate, unincorporated associates and partnerships, and references to singular include references to the plural and *vice versa*.
- 1.5 Headings are inserted for convenience only and shall not affect the interpretation of this Agreement.
- 1.6 All references in this Agreement in relation to any time, date or period shall mean Hong Kong time.
- 1.7 References to Clauses, Sub-clause and Schedule are references to the clauses and sub-clauses of, and schedule to, this Agreement.

2. APPOINTMENT OF THE PLACING AGENT AND THE PLACING

- 2.1 Subject to the provisions of this Agreement, the Company hereby appoints the Placing Agent as its placing agent to the exclusion of all others and the Placing Agent, relying on the representations, warranties and undertakings herein contained and subject to the terms and conditions hereinafter mentioned, agrees to act as the placing agent for the Company during the Placing Period and to use its best efforts to procure Placees to subscribe for the Placing Shares at the Placing Price (together with such brokerage, SFC transaction levy, Stock Exchange trading fee and Financial Reporting Council transaction levy, and such other fee and levy as may be payable by the Placees) on the terms and subject to the conditions set out in this Agreement. The number of Placees procured for the Placing Shares shall not be less than six (6). For the avoidance of doubt, the Company hereby acknowledges that the Placing Agent is not underwriting the Placing of any Placing Shares and in no circumstances shall the Placing Agent be required to subscribe for any

of the Placing Shares as principal. The Company shall issue and deliver the Placing Shares sold by the Placing Agent on its behalf pursuant to the Placing in accordance with the provision of this Agreement.

- 2.2 Notwithstanding Clause 2.1, at any time the Placing Agent may elect that some or all of the Placing Shares be subscribed by it and/or its nominees as principal at the Placing Price and, in that event, the Placing Shares may subsequently be sold by the Placing Agent and/or its nominees (each, a “Seller”) as principal to purchasers on or after the Closing Date at any price(s) as the Seller in its discretion may determine, without being under any obligation to notify the Company of such election or of the number of Placing Shares so subscribed for as principal, or of the price(s) at which those Shares are sold to purchasers provided that any seller’s stamp duty payable in respect of such sale by a Seller as principal made after the Closing Date shall be solely borne by the relevant Seller. For the avoidance of doubt, this Clause 2.2 does not impose any obligation on the Placing Agent to subscribe for the Placing Shares as principal.
- 2.3 Subject to the provisions of this Agreement, the Placing Agent shall be entitled to conduct and undertake the Placing in such manner as they think fit. The Company hereby confirms that this appointment confers on the Placing Agent all powers, authorities and discretions on behalf of the Company which are reasonable and necessary for, or incidental to, the making of the Placing (including the power and authority to delegate their functions hereunder to any other person(s) to act as agent(s) of the Placing Agent) and hereby agrees to ratify and confirm everything which the Placing Agent has lawfully and properly done prior to the date of this Agreement or may lawfully and properly do, in each case in the exercise of such powers, authorities and discretion in connection with or in anticipation of this Agreement.
- 2.4 The Placing Shares shall be allotted and issued fully paid and rank *pari passu* in all respects among themselves and with the other Shares then in issue free from all Encumbrances, and together with all rights attaching to them as at the date of issue of the Placing Shares.
- 2.5 The Placing Shares shall be offered to not less than six Placees by the Placing Agent as agent for the Company at the Placing Price (together with such brokerage, SFC transaction levy, Stock Exchange trading fee and Financial Reporting Council transaction levy, and such other fee and levy as may be payable by the Placees) and in board lots of 8,000 Shares each during the Placing Period, subject to this Clause 2. The offer of the Placing Shares to the Placees by the Placing Agents shall be conditional upon this Agreement not having been terminated in accordance with its terms prior to the Closing Date. The choice of Placees for the Placing Shares shall be determined by the Placing Agent after consultation with the Company, subject to the requirements of all applicable laws, rules and regulations (including but not limited to the GEM Listing Rules). No Placing Shares shall be placed with any person in circumstances which would constitute an offer to the public in Hong Kong within the meaning of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or in any other place or in any manner in which the securities laws or regulations of any place may be infringed. The Placing Shares are being placed outside of the United States of America in compliance with Regulation S under the U.S. Securities Act of 1933. The Placing Agent confirms that it has complied and shall comply, for the purposes of the Placing, with Rules 10.11 to 10.16B of the GEM Listing Rules, other relevant provisions of the

GEM Listing Rules and laws and regulations (if any) applicable to the Placing Agent. The Placing Agent shall use its reasonable endeavours, based on information available to the Placing Agent, information provided by the Company and confirmation from the Placees, to ensure that each Placee (and its ultimate beneficial owner, if applicable) (i) is not a “connected person” of the Company (as defined in the GEM Listing Rules), and (ii) will not as a result of the issue and allotment of the Placing Shares, become a substantial shareholder of the Company or have acquired on its own or together with persons acting in concert (as defined in the Takeovers Code) with the Company, 30% or more of the voting rights of the Company in aggregate. The Company shall inform the Placing Agent as soon as reasonably practicable in writing if it is aware that any connected person of the Company or any of its respective Associates intends to subscribe for the Placing Shares in the Placing.

- 2.6 The Company shall provide all reasonably necessary assistance to the Placing Agent to determine whether the Placees are or will be third parties independent of and not connected with the Company and its respective Associates. The Company undertakes that it shall notify (i) any connected persons of the Company and (ii) its Associates that they should not subscribe for any Placing Shares in the Placing.
- 2.7 By not later than 4:00 p.m. on the third Business Day immediately prior to the Closing Date (or such other time as agreed by the Company and the Placing Agent in writing), the Placing Agent shall deliver to the Company and its professional advisers (if any) a list of the Placees procured by it, the number of the Placing Shares to be subscribed by each Placee (together with the duly completed placing letters and written confirmations (in such form as the Company, GEM Listing Committee and/or the relevant regulatory authorities may reasonably require) of the independence of the Placees and particulars of the Placees, and such other information as required by the GEM Listing Committee and/or the relevant regulatory authorities, if so required by the Company, the GEM Listing Committee and/or the relevant regulatory authorities, as soon as practicable and as and when known). The particulars of the Placees to be so provided shall include the names, addresses, number and denominations of Placing Shares subscribed, the particulars of the CCASS accounts to which those Placing Shares are to be credited (where relevant) and other information as required in the Placees Information Summary (Form CI205G).

3. PRESS ANNOUNCEMENT

- 3.1 The Company shall release, or cause to be released for publication on its behalf, as soon as possible upon the execution of this Agreement, the Press Announcement in accordance with the applicable laws and regulations (including but not limited to the GEM Listing Rules). In addition, the Company authorises the Placing Agent to make such advertisements or reference to the Placing as is customary in the Placing Agent’s business provided that the Placing Agent may only disclose information relating to the Placing that has been previously disclosed by, or otherwise agreed to in writing by, the Company and in accordance with the applicable laws and regulations.
- 3.2 Save for the Press Announcement and save as otherwise required by any rule, regulation or law to which the Company is subject, or by the GEM Listing Committee or the SFC, the Company hereby undertakes that if at any time between the date of this Agreement and the Closing Date the Company intends to publish any announcement or make any communication to the press or to the GEM Listing Committee concerning the Placing or which is material in relation to the Placing, it shall use reasonable endeavours to ensure that such announcement and communications do not contravene any rule, regulation or

law to which the Company is subject, and in such event or where the publication of such announcement or communication is required by any rule, regulation or law or by the GEM Listing Committee or the SFC, it shall use reasonable endeavours to consult with the Placing Agent on the form of such announcement as early as possible and in any event before the release of such announcement.

4. CONDITIONS

4.1 Completion of the Placing is conditional upon the satisfaction of the following conditions:

- (A) the passing of necessary resolution(s) by the Shareholders, who are entitled to vote and not required to abstain from voting under the GEM Listing Rules and other applicable laws and regulations, to approve this Agreement and all transactions contemplated hereunder, including the grant of the specific mandate to authorise the Directors to the allot and issue the Placing Shares;
- (B) there shall not have occurred any material breach or any event rendering materially untrue or inaccurate, any of the representations, warranties or undertakings by the Company under this Agreement;
- (C) the GEM Listing Committee granting the listing of, and permission to deal in, the Placing Shares (and such listing and permission not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Placing Shares under Clause 5.2 hereof); and
- (D) this Agreement not being terminated by the Placing Agent pursuant to Clause 10 below.

4.2 The Company shall, as soon as is reasonably practicable, apply to the GEM Listing Committee for the granting of listing of, and permission to deal in, the Placing Shares and the Company shall use reasonable endeavours to obtain the granting of such listing and permission to deal by the GEM Listing Committee as soon as is reasonably practicable, and will inform the Placing Agent promptly following the granting of the same. The Company shall furnish such information, supply such documents and do all such acts and things as may reasonably be required by the GEM Listing Committee in connection with the fulfilment of Condition (C) above.

4.3 Save for Condition (B) if waived pursuant to Clause 4.4, if any Condition is not fulfilled on or prior to 8:00 a.m. (Hong Kong time) on 4 March 2024 or such other date as the Company and the Placing Agent may agree in writing, the obligations and liabilities of the Placing Agent and the Company under the Placing shall be null and void and neither the Company nor the Placing Agent shall have any claim against the other for costs, damages, compensations or otherwise except (i) the Company shall remain liable for the payment of all costs and expenses referred to in Clause 7.2; (ii) each of the Company and the Placing Agent shall be liable for any antecedent breach of any of their respective obligations and liabilities hereunder (including liabilities arising prior to such termination under the representations, warranties and undertakings referred to in Clause 4.1); and (iii) that the provisions of Clause 9 shall remain in full force and effect.

- 4.4 The Company undertakes to use its endeavours to procure that the conditions precedent is fulfilled in accordance with their terms on or before the date set out in Clause 4.3 and for that purpose will execute such documents and do such other things as may be necessary. Notwithstanding the above, the Placing Agent may at any time prior to that date unilaterally waive Condition (B) above.

5. COMPLETION OF THE PLACING

- 5.1 Subject to the fulfilment of the conditions precedent as referred to in Clause 4.1, completion of the Placing shall take place on the Closing Date.

- 5.2 On Closing Date, the Company shall:

- (A) deliver to, or procure the delivery to the Placing Agent or as the Placing Agent may direct (i) a certified true copy of the board minutes of the Company approving the entering into of this Agreement by the Company, the Placing and all transactions contemplated in connection with the Placing; and (ii) a certified true copy of the approval of the GEM Listing Committee granting the listing of, and permission to deal in, the Placing Shares;
- (B) allot and issue the Placing Shares into the CCASS participant account designated by the Placing Agent and deliver to the Placing Agent (i) copies of the resolution by the Board or the committee authorised by the Board authorising the issue and allotment of the Placing Shares, and (ii) copies of irrevocable instruction letters, placing forms and other document issued by the Company to its share registrar required for the deposit by the Placing Agent of the Placing Shares in CCASS; and
- (C) deliver to the Placing Agent a copy of its written instruction to its share registrar to update the register of members to reflect the issue of the Placing Shares.

- 5.3 The Company shall procure satisfaction of the events set out in Clause 5.2 on or prior to 4:00 p.m. (Hong Kong time) on the Closing Date.

- 5.4 Against compliance by the Company with its obligations pursuant to Clause 5.2, the Placing Agent shall at or around 4:00 p.m. on the Closing Date make or procure the making of payment in Hong Kong dollars in immediately available funds to the Company of an amount equivalent to the Placing Price multiplied by the number of Placing Shares (less the amount payable to the Placing Agent referred to in Clause 7.1) to the bank account notified by the Company to the Placing Agent at least two Business Days prior to the Closing Date, the payment of which shall constitute a complete discharge of the Placing Agent's obligations to procure the subscription of the Placing Shares hereunder.

- 5.5 The Company hereby acknowledges that in performing its functions under Clauses 2 and 5, the Placing Agent is authorised to appoint one or more sub-placing agents or selling agents and that such agents shall be agents of the Company in despatching documents relating to the Placing to Placees and the Company hereby authorises and confirms that it will, on the terms of and subject to the provisions of this Agreement, as soon as reasonably practicable upon any request by the Placing Agent, ratify and approve all actions properly and lawfully taken or to be taken by such agents and the Placing Agent

in connection with the Placing in accordance with or in anticipation of the terms of this Agreement. All fees of such agents shall be paid and borne by the Placing Agent out of the commissions, costs, charges and expenses payable by the Company under Clause 7. The Placing Agent may enter into any agreements with any of the agents for such purpose PROVIDED THAT the Placing Agent shall remain responsible for any act or omission carried out by such agent in the performance of the relevant Placing Agent's obligations hereunder and that such agreements must not contain any terms which are inconsistent with the requirements of this Agreement and should, in particular, contain provisions to the effect that the obligations of such agent thereunder may be enforced by the Company as principal or by the Placing Agent, as agent on behalf of the Company. In addition, the Placing Agent confirms and undertakes that it shall require such agent to observe the provisions of this Agreement and the applicable laws and regulations.

- 5.6 The Placing Agent shall provide, and procure its sub-placing agents and selling agents (if any) to provide, the Company promptly with all assistance necessary to enable the Company to comply with the GEM Listing Rules, the SFO and all other applicable laws and regulations and guidelines and directions of the GEM Listing Committee, the SFC or any other applicable regulatory body in connection with the Placing.
- 5.7 Any transaction carried out by the Placing Agent and any agents referred to in Clause 5.5 (other than any subscription by the Placing Agent and any such agents of Placing Shares as principal) under and in accordance with this Agreement on behalf of the Company shall constitute a transaction carried out at the request of the Company, as its agent and not in respect of or for the benefit of the Placing Agent's own account and the Placing Agent shall not be responsible or reliable to third parties for any loss or damage to any such persons arising from any such transaction or for any alleged insufficiency of the price at which the Placing Shares are subscribed or sold hereunder.

6 UNDERTAKINGS OF THE COMPANY

- 6.1 The Company will promptly make all notifications, registrations and filings as may from time to time be required in relation to the Placing Shares and the transactions contemplated under this Agreement (other than any subscription by the Placing Agent and any such agents of Placing Shares as principal) including, without prejudice to the generality of the foregoing, the filings with the GEM Listing Committee.
- 6.2 The Company shall make all appropriate disclosures pursuant to, and will comply in all material respects with applicable law, regulation or direction (including without limitation the GEM Listing Rules, the Takeovers Code and the SFO) in connection with the Placing.
- 6.3 The Company shall promptly provide the Placing Agent, upon request, with all such information known to it or which on reasonable enquiry ought to be known to it relating to the Group or otherwise as may be reasonably required by the Placing Agent in connection with the Placing for the purpose of complying with any applicable law, regulation or direction (including the establishment of any defence to any action under any of the same, whether relating to due diligence or otherwise) or any requirement of the GEM Listing Committee, the SFC or any other applicable regulatory body.

- 6.4 The Company shall procure that particulars of every significant new factor known to it which in its reasonable opinion is likely to materially and adversely affect the Placing and which arises between the date hereof and the Closing Date shall be promptly provided to the Placing Agent.
- 6.5 Without prejudice to the foregoing obligations, the Company undertakes with the Placing Agent that it shall promptly execute or do, or procure that there shall be executed and done, all such documents and acts and things as may be reasonably required to be done by it to carry into effect the Placing in accordance with the terms of this Agreement.
- 6.6 Without prejudice to the foregoing obligations, the Company undertakes with the Placing Agent that it will assist the Placing Agent to answer any queries raised by the SFC or the GEM Listing Committee in relation to the Placing before and after the completion of the Placing.
- 6.7 The undertakings under Clause 6 shall remain in full force and effect notwithstanding completion of the Placing in accordance with its terms.

7 PAYMENT OF FEES, COMMISSIONS AND EXPENSES

- 7.1 In consideration of the services of the Placing Agent in relation to the Placing, the Company shall pay to the Placing Agent:
- 7.1.1 a commission, in Hong Kong dollars, in sum equivalent to 1% of the amount equal to the Placing Price multiplied by the number of Placing Shares successfully subscribed for by Placees, which amount the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company pursuant to Clause 5.4; and
- 7.1.2 any costs associated with the Placing, the deposit of the Placing Shares into CCASS and all charges, fees and expenses (if any) of the Company's share registrar in Hong Kong including its fees and expenses in effecting the issue of the Placing Shares and the share certificates therefor to the Placees, which amounts the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company pursuant to Clause 5.4 for the purposes of paying on the Company's behalf such costs, charges, fees and expenses.

In addition, the Company shall pay to the Placing Agent for onward payment to the parties entitled thereto the SFC transaction levy at the prevailing applicable rate (0.0027%), the Stock Exchange trading fee at the prevailing applicable rate (0.00565%) and Financial Reporting Council transaction levy at the prevailing applicable rate (0.00015%), all rounded to the nearest cent, as may be payable by the Company in respect of the Placing on the amount equal to the Placing Price multiplied by the number of Placing Shares successfully subscribed for, which amounts the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company pursuant to Clause 5.4.

- 7.2 If this Agreement is terminated pursuant to Clause 10 or if for any reason the Placing is not completed, the Company shall remain liable to the Placing Agent for the payment of all costs, charges and expenses referred to in Clause 7.1.2 and for the SFC transaction

levy, Stock Exchange trading fee and Financial Reporting Council transaction levy referred to above to the extent already properly incurred in accordance with this Agreement. For the avoidance of doubt, if the Placing is not completed for whatever reason, no commission referred to in Clause 7.1.1 is payable by the Company to the Placing Agent.

- 7.3 The Company shall be liable for the costs and expenses of its own legal and other professional advisers and out-of-pocket expenses incurred in connection with the Placing (including the costs associated with the Press Announcement). The Placing Agent shall be responsible for any costs and expenses incurred for its own account in connection with the Placing.
- 7.4 All payments to be made by the Company to the Placing Agent pursuant to this Agreement shall be denominated in Hong Kong dollars free and clear of, and without deduction or withholding for or on account of tax, unless the Company is required by applicable law to make payment subject to the deduction or withholding of tax.
- 7.5 The Company hereby acknowledges that, in addition to the commissions, costs, charges and expenses referred to in this clause, the Placing Agent shall be entitled to keep for its own account any brokerage that it may receive from the Placees.

8 REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 8.1 In consideration of the Placing Agent entering into this Agreement and agreeing to perform their obligations hereunder, the Company represents, warrants and undertakes to the Placing Agent the matters as set out in Schedule 2, and the Placing Agent represents, warrants and undertakes to the Company the matters as set out in Schedule 3.
- 8.2 The Company further represents, warrants and undertakes to the Placing Agent as follows:
- 8.2.1 subject to satisfaction of the conditions precedent set out in Clause 4.1, it has existing authority to allot and issue the Placing Shares in accordance with the terms of this Agreement;
 - 8.2.2 the creation, allotment and issue of the Placing Shares will be within its powers and in accordance with its articles of association and will comply with all statutory requirements;
 - 8.2.3 the Placing Shares will be allotted and issued by the Company under the authority of the Directors subject to the passing of the necessary resolution(s) by the Shareholders, who are entitled to vote and not required to abstain from voting under the GEM Listing Rules and other applicable laws and regulations, at an extraordinary general meeting to be convened and held to consider and, if thought fit, to approve this Agreement, the Placing and all transactions contemplated hereunder;
 - 8.2.4 the creation of the Placing Shares and their allotment and issue pursuant to this Agreement will not cause any breach of any agreement to which it and/or any of its subsidiaries is a party or by which it or any of them is bound and will not infringe or exceed any limits on, powers of, or restrictions on or the terms of any

contract, obligation or commitment whatsoever of, the Company and/or any of its subsidiaries and/or their respective board of directors;

- 8.2.5 the Placing Shares will be allotted and issued pursuant to this Agreement free from all Encumbrance and will rank *pari passu* in all respects with the Shares in issue and in particular will have the right to receive all dividends or other distributions hereafter declared paid or made on such Shares with reference to a record date occurring on or after the completion of the Placing; and
- 8.2.6 the Company has read and understood the Professional Investor Treatment Notice as contained in Schedule 1 and acknowledges and agrees to the representations, waivers and consent contained in the Professional Investor Treatment Notice, in which the expression “you” or “your” shall mean the Company, and “we” or “us” or “our” shall mean the Placing Agent.
- 8.3 The representations, warranties and undertakings set out in Schedule 2, Schedule 3 and Clause 8.2 are given as at the date hereof and shall remain true, accurate in all material respects and not misleading in any material respect and in force up to and including the Closing Date as if given or made on such date, with reference in each case to the facts and circumstances then subsisting. The Company shall not, and shall procure that no member of the Group shall at any time prior to or on the Closing Date, do or omit to do anything which may cause any of its representations, warranties and undertakings set out in this Agreement to be untrue. Each Party undertakes to notify the other Party of any matter or event coming to its attention prior to the completion of the Placing which, in its sole opinion, shows or may show any of its representations, warranties and undertakings set out in Schedule 2 and Clause 8.2 (for the Company) or Schedule 3 (for the Placing Agent) to be or to have been untrue, inaccurate or misleading in any material respect.
- 8.4 The Company acknowledges that the obligations of the Placing Agent under this Agreement shall be subject to, among other things, (i) the representations, warranties and undertakings of the Company contained herein being true, accurate and not in breach or misleading in all material respect as of the Closing Date, (ii) the Company having complied with all of the agreements and undertakings and satisfied or performed all of the conditions and obligations on its part to be performed or satisfied under this Agreement in all material respects on or before the Closing Date and (iii) the Placing Agent having received from the Company any authorisations, resolutions and officer's certificates which the Placing Agent may reasonably require for the purpose of the Placing.
- 8.5 Save as a result of the Placing Agent's or any of its sub-placing agents' or selling agents' fraud, gross negligence or wilful default, the Placing Agent shall not be responsible for and no claim shall be made against the Placing Agent by the Company to recover any damage, cost, charge or expense which the Company may suffer or incur by reason of or arising out of the carrying out by the Placing Agent of any work pursuant to its obligations hereunder, or for any alleged insufficiency of the Placing Price or otherwise in connection with the Placing.
- 8.6 The foregoing provisions of this Clause shall remain in full force and effect

notwithstanding the Placing.

9 INDEMNITY

- 9.1 The Company undertakes to indemnify and hold harmless the Placing Agent (for itself and as trustee for each other Indemnified Party, as defined below) and each of its agents, branches, subsidiaries, Associates, their respective directors, officers, employees and agents (the “**Indemnified Parties**”) against all or any costs, expenses, fees, claims, actions, liabilities, demands, proceedings or judgments (including, without limitation, all such losses, costs, charges or expenses suffered or incurred in disputing or defending any costs, fees, claims, actions, liabilities, demands, proceedings or judgment (the “**Proceedings**”) and/or in establishing its rights to be indemnified pursuant to this Clause 9 and/or in seeking advice in relation to any Proceedings) brought or established or threatened to be brought or established against any of the Indemnified Parties by any Placees or by any governmental agency, regulatory body or other person:-
- 9.1.1 directly or indirectly arising out of or in connection with any breach of any of the Company’s representations, warranties and undertakings contained in this Agreement; or
- 9.1.2 directly or indirectly arising out of or in connection with any failure of the Company to perform its obligations under this Agreement.
- 9.2 The indemnities contained in Clause 9.1 shall remain in full force and effect notwithstanding completion of the Placing in accordance with their respective terms, shall be in addition to any liability which the Company may have and shall extend to include all costs, charges and expenses which the Placing Agent and/or any of the Indemnified Parties may reasonably incur or pay in disputing, settling or compromising any matter to which the indemnity might relate and in establishing the right to indemnification pursuant to this clause in respect of any matter. The Company shall not, without the prior written consent of the Placing Agent, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the Indemnified Parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each Indemnified Party from all liability arising out of such claim, action, suit or proceeding.
- 9.3 If the Placing Agent becomes aware of any claim which is relevant for the purposes of Clause 9.1, it shall as soon as practicable give notice in writing thereof to the Company and will consult with the Company and, subject to being indemnified against any reasonable additional or increased expenses it may suffer or incur as a result of so doing, give full consideration to the views of the Company in relation to the manner in which the Placing Agent shall conduct such claim.
- 9.4 The Company agrees that none of the Indemnified Parties shall have any liability (save for (i) any loss or damage arising out of any gross negligence, wilful default or fraud on the part of such Indemnified Parties and (ii) any obligations imposed on such Indemnified Parties under this Agreement) to the Company or any other person, directly or indirectly,

arising out of or in connection with the Placing or any transactions contemplated hereby.

10 TERMINATION

10.1 Notwithstanding anything contained in this Agreement to the contrary, if at any time prior to 8:00 a.m. (Hong Kong time) on the Closing Date:

10.1.1 there develops, occurs or comes into force:

- (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations (or the judicial interpretation thereof) which is or is likely to be materially adverse to the financial position, business affairs, prospects, profits, losses or the financial or trading position or performance of any member of the Group and the success of the Placing, or makes or is likely to make it impracticable to proceed therewith; or
- (ii) any event, or series of events in the nature of force majeure (including, without limitation, any calamity, act of government, strike, labour dispute, lock-out, fire, explosion, flooding, earthquake, civil commotion, economic sanctions, epidemic, pandemic, outbreak of infectious disease, outbreak or escalation of hostilities, act of terrorism and act of God) involving Hong Kong, the PRC, the United Kingdom, the European Union or the United States, or the declaration by Hong Kong, the PRC, the United Kingdom, the European Union or the United States of war or a state of emergency or calamity or crisis; or
- (iii) any change or development in local, national or international financial, political, military, industrial, fiscal, regulatory, currency or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, interbank markets and credit markets) which is or is likely to be materially adverse to the success of the Placing, or makes or is likely to make it impracticable to proceed therewith; or
- (iv) any moratorium, suspension or material restriction on trading in shares or securities generally on GEM due to exceptional financial circumstances or otherwise at any time prior to the Closing Date; or
- (v) any temporary suspension of trading of the Shares on GEM (but excluding any suspension pending the approval of the Press Announcement or any other announcement relating to the transactions contemplated by this Agreement) before the Closing Date; or

10.1.2 there has come to the notice of the Placing Agent:

- (i) any material breach of the Company's representations, warranties and undertakings set out in this Agreement by the Company (or, in the case of any such representations, warranties and undertakings which are not

qualified by materiality, any breach of any of such representations, warranties and undertakings in any material respect); or

- (ii) any material breach of the obligations imposed upon the Company; or
- (iii) any of the Company's representations, warranties and undertakings set out in this Agreement would be untrue or inaccurate or misleading in any material respect if given at that time; or
- (iv) any material adverse change in the business or in the financial or trading position or prospects of any member of the Group taken as a whole which is material in the context of the Placing;

then and in any such case, the Placing Agent may terminate this Agreement without liability to the Company by giving notice in writing to the Company, which notice may be given at any time prior to 8:00 a.m. (Hong Kong time) on the Closing Date.

- 10.2 In the event that the Placing Agent terminates this Agreement in accordance with Clause 10.1, except for Clauses 7, 8 and 9 which shall survive the termination or expiration of this Agreement, all obligations of each of the Parties under this Agreement shall cease and determine and no Party shall have any claim against the other Party in respect of any matter arising out of or in connection with this Agreement except for any antecedent breach of any obligation under this Agreement and liabilities under Clauses 7.2, 8 and 9.

11 TIME OF THE ESSENCE

Any time, date or period mentioned in this Agreement may be extended or further extended by mutual agreement in writing between the Company and the Placing Agent but as regards any time, date or period originally fixed or any date or period so extended or further extended as aforesaid, time shall be of the essence in this Agreement.

12 NOTICES

- 12.1 All notices delivered hereunder shall be in writing and shall be communicated to the following address:

Company:

Suite 2201, 22/F
China Resources Building,
26 Harbour Road.
Wanchai,
Hong Kong
Email: keithyau@royalcentury.hk
Attention: Messrs. Keith Yau

Placing Agent:

Space Securities Limited
Unit 05-07, 19/F.

Tower 6, The Gateway,
9 Canton Road, Tsim Sha Tsui
Kowloon
Hong Kong
Email: steveho@spacegroup.hk
Attention: Messrs. Ho Kwong Yu

- 12.2 Any such notice shall be served either by hand or by email. Any notice shall be deemed to have been served, if served by hand, when delivered and if sent by email, when despatched. Any notice received on a Sunday or public holiday shall be deemed to be received on the next Business Day.

13 MISCELLANEOUS

- 13.1 Each Party undertakes with the other Party that it shall execute and perform and procure that there are executed and performed such further documents and acts as the other Party may reasonably require to give effect to the provisions of this Agreement.
- 13.2 This Agreement constitutes the entire agreement and undertaking between the Parties in connection with the Placing. This Agreement supersedes all previous agreements or undertakings which shall cease to have any further force or effect and no Party has entered into this Agreement in reliance upon any representation, warranty or undertaking which is not set out or referred to in this Agreement.
- 13.3 No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of each of the Parties. The expression "variation" shall include any variation, supplement, deletion or replacement however effected.
- 13.4 This Agreement may be executed in any number of counterparts and by the Parties on separate counterparts, but shall not be effective until each Party has executed at least one counterpart and each such counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same instrument.
- 13.5 No failure or delay by any Party in exercising any right or remedy provided by law under or pursuant to this Agreement shall impair such right or remedy or operate or be construed as a waiver or variation of it or preclude its exercise at any subsequent time and no single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.
- 13.6 A person who is not a Party has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce or to enjoy the benefit of any term of this Agreement. For the avoidance of doubt, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

14 APPLICABLE LAW AND ARBITRATION

- 14.1 This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong for the time being in force.
- 14.2 Any dispute arising out of or in connection with this Agreement including any questions

in relation to its existence, validity or termination, shall be finally resolved by the Hong Kong International Arbitration Centre (“**HKIAC**”) in accordance with the HKIAC Adminstrated Arbitration Rules in force (as amended from time to time), which rules are deemed to be incorporated by reference into this clause. Once a dispute is referred to arbitration, the other party or parties to the arbitration shall submit to respectively the arbitration. The place of arbitration shall be Hong Kong. The arbitral tribunal shall be composed of one arbitrator. The appointing authority shall be the HKIAC. The language to be used in the arbitral proceedings shall be English.

IN WITNESS WHEREOF this Agreement has been entered into the day and year first before written.

SIGNED by
for and on behalf of
ROYAL CENTURY RESOURCES HOLDINGS LIMITED
in the presence of:

)
)
)
)

A handwritten signature in black ink is written over a blue circular corporate seal. The seal contains the text "ROYAL CENTURY RESOURCES HOLDINGS LIMITED" around the perimeter and "仁德資源控股有限公司" in the center. The signature is a stylized, cursive mark.

$$\begin{pmatrix} \cdot \\ \cdot \\ \cdot \\ \cdot \end{pmatrix}$$

證券有
.....
Authoriz

SCHEDULE 1

Professional Investor Treatment Notice

1. You are a Professional Investor by reason of your being within a category of person described in the Securities and Futures (Professional Investor) Rules as follows:
 - 1.1 a trust corporation having been entrusted with total assets of not less than HK\$40 million (or equivalent) as stated in its latest audited financial statements prepared within the last 16 months, or in the latest audited financial statements prepared within the last 16 months of the relevant trust or trusts of which it is trustee, or in custodian statements issued to the trust corporation in respect of the trust(s) within the last 12 months;
 - 1.2 a high net worth corporation or partnership having total assets of at least HK\$40 million (or equivalent) or a portfolio of at least HK\$8 million (or equivalent) in securities and/or currency deposits, as stated in its latest audited financial statements prepared within the last 16 months or in custodian statements issued to the corporation or partnership within the last 12 months; and
 - 1.3 a corporation the sole business of which is to hold investments and which is wholly owned by any one or more of the following persons (i) a trust corporation that falls within paragraph 1.1 above; (ii) a high net worth individual having, alone or with associates on a joint account, a portfolio of at least HK\$8 million (or equivalent) in securities and/or currency deposits, as stated in a certificate from an auditor or professional accountant or in custodian statements issued to the individual within the last 12 months; and (iii) a corporation or partnership that falls within paragraph 1.2 above.

We have categorised you as a Professional Investor based on information you have given us. You will inform us promptly in the event any such information ceases to be true and accurate.

2. As a consequence of your categorisation as a Professional Investor, we are not required to fulfil certain requirements under the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the “**Code**”) and other Hong Kong regulations. While we may in fact do some or all of the following in providing services to you, we have no regulatory responsibility to do so.

2.1 Client agreement

We are not required to enter into a written agreement complying with the Code relating to the services that are to be provided to you.

2.2 Risk disclosures

We are not required by the Code to provide you with written risk warnings in respect of the risks involved in any transactions entered into with you, or to bring those risks to your attention.

2.3 Information about us

We are not required to provide you with information about our business or the identity and status of employees and others acting on our behalf with whom you will have contact.

2.4 Prompt confirmation

We are not required by the Code to promptly confirm the essential features of a transaction after effecting a transaction for you.

2.5 Information about clients

We are not required to establish your financial situation, investment experience or investment objectives, except where we are providing advice on corporate finance work.

2.6 Nasdaq-Amex Pilot Program

If you wish to deal through GEM in securities admitted to trading on the Stock Exchange under the Nasdaq-Amex Pilot Program, we are not required to provide you with documentation on that program.

2.7 Suitability

We are not required to ensure that a recommendation or solicitation is suitable for you in the light of your financial situation, investment experience and investment objectives.

2.8 Investor characterisation/disclosure of sales related information

We shall not be subject to the requirements of paragraph 5.1A of the Code relating to know your client investor characterisation and paragraph 8.3A of the Code relating to disclosure of sales related information.

3. You have the right to withdraw from being treated as a Professional Investor at any time in respect of all or any investment products or markets on giving written notice to us.
4. By entering into this Agreement, you represent and warrant to us that you are knowledgeable and have sufficient expertise in the products and markets that you are dealing in and are aware of the risks in trading in the products and markets that you are dealing in.
5. By entering into this Agreement, you hereby agree and acknowledge that you have read and understood and have had explained to you the consequences of consenting to being treated as a Professional Investor and the right to withdraw from being treated as such as set out herein and that you hereby consent to being treated as a Professional Investor.
6. By entering into this Agreement, you hereby agree and acknowledge that we (and any person acting as the settlement agent for the Placing) will not provide you with any contract

notes, statements of account or receipts under the Hong Kong Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules where such would otherwise be required.

SCHEDULE 2

Representations and Warranties of the Company

The Company represents, warrants and undertakes to the Placing Agent that:

- (A) the Company has been duly incorporated, is validly existing and in good standing (where applicable) under the laws of its place of incorporation or establishment, has conducted its business in accordance with its constitutional documents and all applicable laws and regulations, and has the requisite power, right and authority to own, use, lease and operate its respective assets and to conduct its respective business; and no order has been made, petition filed or resolution passed for its winding up, no scheme of arrangement has been proposed by it with its creditors or shareholders and no notice of appointment of a liquidator, receiver, administrative receiver or administrator has been served on it;
- (B) the Company has full power under its constitutional documents (if applicable) and all applicable laws and regulations, and all authorizations, approvals, consents and licenses required by it in relation to the Placing (subject to the conditions precedent to completion of the Placing as set out in Clause 4.1 being fulfilled) and the performance of its obligation under the Agreement have been unconditionally obtained and are in full force and effect, to permit it to enter into and perform its obligations under the Agreement; the execution, delivery and performance by it of the Agreement will not contravene its constitutional documents, any provision of any applicable law (including, but not limited to, insider dealing laws), any indenture, mortgage, deed of trust, loan, agreement or other instrument binding upon it, or any judgment, order or decree of any governmental body, agency or court having jurisdiction over it or any of its assets; and other than granting of the listing approval referred to in the Condition, no consent from any governmental body, agency or regulatory authority or any other third party is required for the execution, delivery and performance by it of its obligations under the Agreement, except such as have already been obtained and are in full force and effect;
- (C) this Agreement has been authorised, executed and delivered by the Company and is a valid and binding agreement of the Company enforceable in accordance with its terms;
- (D) no person has any pre-emptive or other rights with respect to the Placing Shares;
- (E) there are no contracts, agreements or understandings between the Company and any person that would give rise to a claim against the Company or the Placing Agent for a brokerage, commission, finder's fee or other like payment in connection with the Placing;
- (F) all information (whether written, electronic or in any other form) provided by or on behalf of the Company or any of its officers, directors, employees or advisers, if applicable, for the purpose of or in connection with this Agreement, the Placing and all publicly available information and records of the Company (including statutory filings and registrations), as amended, are and were, when provided or published, true and accurate and not misleading in any material respect;
- (G) since the Accounts Date, (i) there has been no material adverse change in the operation and financial of the Group and (ii) there has been no development or occurrence relating to the Company and/or the Group which is not in the public domain and which would reasonably be expected to be material to an investor in any Shares or affect the listing status of the Company and (iii) all announcements, reports, shareholder circulars and accounts and other public information issued or made available by or on behalf of the Company were true and accurate and not misleading in material respects in the context in

which they were made and the consolidated balance sheet and profit and loss account of the Group as at the Accounts Date as set out in the Group's annual report for the year ended on the Accounts Date were prepared in accordance with the International Financial Reporting Standards consistently applied (unless otherwise disclosed in the relevant report as published) and (iv) each member of the Group has continued to pay its creditors in the ordinary course of business and (v) save as disclosed in the announcements published in the Stock Exchange's website, each member of the Group has not to any material extent acquired, sold, transferred or otherwise disposed of any assets of whatsoever nature or cancelled, waived, released or discounted in whole or in part any debts or claims, save in transactions involving only members of the Group and (vi) each member of the Group has not taken on or become subject to any material contingent liability, save in respect of obligations of other members of the Group;

- (H) none of the Company and its connected persons is in material breach of any rules, regulations or requirements of the GEM Listing Committee and the SFC. The Company has complied and will comply with all other applicable rules, regulations and other requirements material or relevant to the transactions contemplated by this Agreement (including rules governing restrictions on and/or disclosure of dealings) in material respect and is not aware of any breach of any such rules, regulations or other requirement by any person;
- (I) the Company will provide the Placing Agent as soon as reasonably practicable, at its request reasonably made, with all such information known to them or which on reasonable enquiry ought to be known to them relating to the Group as may be required by the Placing Agent in connection with the Placing for the purpose of complying with any applicable law, regulation or direction (including the establishment of any defence to any action under any of the same, whether relating to due diligence or otherwise) or any requirement of the GEM Listing Committee, the SFC or any other applicable regulatory body;
- (J) the Company will make all appropriate disclosures pursuant to, and will comply in all respects with, the GEM Listing Rules and the Takeovers Code (where applicable) in connection with the Placing;
- (K) none of the Company or any other member of the Group or its directors, officers, agents, affiliates or employees are currently subject to any sanctions or violated or are in violation of any sanctions related to or administered by any regulatory body;
- (L) the Company shall use the net proceeds from the sale of the Placing Shares pursuant to the Placing in the manner to be specified in the Press Announcement and will not, directly or indirectly, use the proceeds of the sale of the Placing Shares to fund activities or business with any government, individual or entity that is the subject of any sanctions related to or administered by any regulatory body, or in a manner that would otherwise cause any person (including, without limitation, the Placing Agent, any of its Associates and agents and subscribers of the Placing Shares) to violate any sanctions related to or administered by any regulatory body and any other applicable anti-money laundering laws and/or regulations;
- (M) the Company has not received any notice from the GEM Listing Committee, the SFC or other regulatory bodies alleging that it is in breach of any rules, regulations or requirements of the GEM Listing Committee, the SFC and such regulatory bodies and which would materially and adversely affect the financial condition of the Group and

which has a material and adverse effect to the implementation and completion of the Placing. The Company shall make all appropriate disclosures pursuant to, and will comply in all respects with, the GEM Listing Rules, the SFO and other applicable laws and regulations in connection with the Placing;

- (N) there is no material claim, litigation, arbitration, prosecution or other legal proceedings or investigation or enquiry in progress or pending or threatened against any member of the Group nor is there any claim or any facts or circumstances of a material nature which would give rise to a claim against any member of the Group;
- (O) there is no order, decree or judgement of any court or governmental agency or regulatory body outstanding or anticipated against any member of the Group which may have or has had a material adverse effect upon the condition, financial or otherwise or the earnings, business affairs or business prospects (whether or not arising in the ordinary course of business) of the Group or which is material in the context of the Placing;
- (P) the audited consolidated statement of financial position of the Group as at the Accounts Date and the audited consolidated statement of profit or loss and other comprehensive income of the Group for the financial year ended on the Accounts Date (including the notes thereto) were prepared in accordance with all applicable laws and on a basis consistent with that adopted in preparing the previous audited accounts and (subject thereto) in accordance with accounting principles, standards and practices generally accepted in Hong Kong so as to give (except to the extent (if any) disclosed therein) a true and fair view of the state of affairs and financial position of the Group as at the relevant dates and the profit or loss and other comprehensive income of the Group for the relevant financial years;
- (Q) no event or circumstance has occurred which constitutes or could constitute a material infringement or default, or could result in the acceleration of any obligation, under any agreement, undertaking, instrument or arrangement to which any member of the Group is a party or by which any member of the Group or any of its properties, revenues and assets are bound and no member of the Group has received notice to repay under any agreement relating to any borrowing or indebtedness in the nature of borrowing on the part of any member of the Group which is repayable on demand, or to perform any guarantee or indemnity given by any of them in relation to the indebtedness or obligations of any person, and there are no circumstances which is likely to lead to any of the aforesaid events, matters or circumstances arising or occurring;
- (R) all returns, reports or filings which ought to have been made by or in respect of each member of the Group for taxation purposes have been made and all such returns are up to date, correct and on a proper basis and are not the subject of any dispute with the relevant revenue or other appropriate authorities and there are no present circumstances likely to give rise to any such dispute;
- (S) none of the Company or any member of the Group or its directors, officers, agents or employees are currently subject to any sanctions or violated or are in violation of any sanctions related to or administered by the Office of Foreign Assets Control of the US Department of the Treasury or any equivalent sanctions or measure imposed by the United Nations, the European Union or any other regulatory body;
- (T) the Company and each member of the Group, including the directors, officers, agents and

employees are and have at all times been in compliance with applicable financial record keeping and reporting requirements under all applicable anti money laundering laws (the “**Anti-Money Laundering Laws**”) in each jurisdiction in which members of the Group conduct business, including the rules and regulations thereunder and so far as the Company is aware after due and careful enquiry, there is no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any member of the Group with respect to Anti-Money Laundering Laws that is pending;

- (U) the Company shall not from the date hereof until the Closing Date issue any Shares or issue or grant any share options or other securities convertible into, exchangeable for or which carry rights to acquire Shares; and
- (V) the Company has not, directly or indirectly and shall procure that no connected person of the Company shall directly or indirectly, subscribe for or agree to subscribe for any of the Placing Shares from the Placing Agent or its affiliates or sub-placing agents.

SCHEDULE 3
Representations and Warranties of the Placing Agent

The Placing Agent represents, warrants and undertakes to the Company that:

- (A) the Placing Agent has been duly incorporated, is validly existing and in good standing (where applicable) under the laws of its place of incorporation or establishment, has conducted its business in accordance with its constitutional documents and all applicable laws and regulations, and has the requisite power, right and authority to conduct its business; and no order has been made, petition filed or resolution passed for its winding up, no scheme of arrangement has been proposed by it with its creditors or shareholders and no notice of appointment of a liquidator, receiver, administrative receiver or administrator has been served on it;
- (B) the Placing Agent has full power and authority to enter into and perform this Agreement and this Agreement has been authorised, executed and delivered by the Placing Agent and is a valid and binding agreement of the Placing Agent enforceable in accordance with its terms;
- (C) the entering into and performance of this Agreement does not result in the Placing Agent being in breach of any existing obligation or applicable laws and regulations;
- (D) the Placing Agent is a licensed corporation under the SFO and, together with its ultimate beneficial owner(s), are third parties independent of and not connected with the Company and its connected persons;
- (E) the Placing Agent has not offered or sold and it shall not, directly or indirectly, offer or sell any Placing Shares or distribute or publish any documents in relation to the Placing in Hong Kong except under circumstances that shall result in compliance with the GEM Listing Rules, the SFO and all other applicable laws and regulations (including but not limited to the GEM Listing Rules) and all offers and sales of the Placing Shares shall be made on such terms;
- (F) the Placing Agent shall not offer or sell any of the Placing Shares in any jurisdiction other than Hong Kong while the Placing will be private placement of securities and the Placing Shares shall not be offered to or placed in circumstances which would constitute an offer to the public in Hong Kong within the meaning of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);
- (G) no action has been or shall be taken, directly or indirectly, in any jurisdiction that would result in a public offering of the Placing Shares, and neither the Placing Agent nor persons acting on its behalf will offer any of the Placing Shares otherwise than in compliance with applicable laws and regulations in each jurisdiction in which any such offer takes place (if applicable);
- (H) the Placing Agent has ensured and shall from time to time ensure the fulfilment of and compliance with the GEM Listing Rules, the SFO and all other applicable laws and regulations and guidelines in relation to its role as placing agent for the Placing, and if required, shall issue appropriate written confirmation of such fulfilment and compliance;
- (I) the Placing Agent shall make available and promptly supply, or procure the relevant

Placee(s) to make available and promptly supply, all such information to the GEM Listing Committee Exchange, the SFC or any other applicable regulatory authority in relation to the Placing (including but not limited to the information of the Placees) as the GEM Listing Committee, the SFC and/or any other regulatory authority may require for the purpose of or in connection with the GEM Listing Rules and other relevant laws and regulations on a timely basis;

- (J) the Placing Agent has ensured and shall ensure that the terms and conditions on which the Placees will subscribe for the Placing Shares are covered in precise terms and agreed with each of the Placees and to be in substantially the same form as the placing letter and will not make any representation in connection with the Placing Shares other than contained in the Press Announcement or previously approved by the Company; and
- (K) the Placing Agent has required and shall require any of its sub-placing agent(s) and selling agent(s) (if any) or other persons through whom it may affect the Placing or offer or sell any Placing Shares to comply with the foregoing provisions.