

Dated 7 April 2025

REGENT PACIFIC GROUP LIMITED

and

GALLOWAY LIMITED

DEBT SETTLEMENT AGREEMENT

DEBT SETTLEMENT AGREEMENT

This Agreement is made on 7 April 2025 between:

- (1) **Regent Pacific Group Limited**, a company incorporated under the laws of the Cayman Islands whose registered office is at P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands (the “**Borrower**” or the “**Company**”); and
- (2) **Galloway Limited**, a company incorporated under the laws of the British Virgin Islands whose registered office is at Craigmuir Chambers, PO Box 71, Road Town, Tortola, VG1110, British Virgin Islands (the “**Lender**”).

WHEREAS:

- (A) The Borrower is a company whose securities are listed on The Stock Exchange of Hong Kong Limited, the principal activities of which consist of investment holding.
- (B) Galloway Limited is a private limited liability company indirectly wholly-owned by James Mellon, who is the non-executive Director and chair of the Board and a substantial shareholder of the Borrower.
- (C) The Borrower has provided loans by way of shareholder’s loan agreements on 27 March 2024 of US\$2 million and 19 November 2024 of US\$1 million, respectively, together with a facility letter dated 20 March 2025 of an amount up to US\$5 million, exclusive of accrued interest and it is the intention of the Lender to convert the total principal amount of US\$3,810,000, along with the Accrued Interest of US\$146,484 thereon into the New Shares of the Borrower on the terms set out in this Agreement.

It is agreed as follows:

1 Definitions

- 1.1 In this Agreement the words and expressions set out below shall, where not inconsistent with the context, have the following meanings:

“**Accrued Interest**” means the outstanding interest amount of the Loans, being US\$146,484, as at the date of this Agreement;

“**Board**” or “**Director(s)**” means the board of director(s) of the Borrower;

“**Conversion Price**” means HK\$0.485 per New Share, which is the higher of (i) the closing price of the Shares traded on the Main Board of the Stock Exchange at the date of this Agreement, or (ii) the five-day average closing price of the Shares traded on the Main Board of the Stock Exchange on the date immediately preceding the date of signing this Agreement, being a day on which the Shares are freely available for trading;

“**EGM**” means the extraordinary general meeting of the Company to be held on 19 June 2025, or on any other date as determined by the Company, for the purpose, inter alia, considering and approving the issuance of the New Shares to the Lender;

“**Facility**” means the facility letter signed by the Lender and the Company on 20 March 2025 where the Lender has agreed to provide financial support to the Company of an amount up to US\$5 million for the Company to meet its liabilities as they fall due and carry on its business without a significant curtailment of operations at least for the next

twelve (12) months from date of the facility letter and as at the date of this Agreement the Lender has provided US\$810,000 to the Company, excluding any accrued interest thereon;

“Independent Shareholders” means shareholders who are not required to abstain from voting in favour of this Agreement and/or the specific mandate at the EGM pursuant to the Listing Rules, the Takeovers Code and/or any applicable laws;

“Listing Rules” means the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited;

“Loans” means the outstanding principal amount of the Shareholder’s Loans and the Facility, exclusive of accrued interest thereon, in the aggregate amount of US\$3,810,000 advanced by the Lender to the Company and outstanding at the time of this Agreement;

“Long Stop Date” means the date upon the expiry of six (6) months from the date of this Agreement, or such other date as the parties may agree in writing;

“New Shares” means 63,377,163 Shares to be issued to the Lender on conversion of the Loans, which is calculated by dividing the total amount of the Loan and the Accrued Interest by the Conversion Price;

“Shareholder’s Loans” means the shareholder’s loan agreements entered into between the Lender and the Company on (i) 27 March 2024 of a total amount up to US\$ 2 million, and (ii) on 19 November 2024 of a total amount up to US\$1 million, exclusive of accrued interest;

“Shares” means the ordinary shares of US\$0.001 each in the share capital of the Company;

“Stock Exchange” means The Stock Exchange of Hong Kong Limited;

“Takeovers Code” means The Hong Kong Code on Takeovers and Mergers;

“United States” means the United States of America; and

“US\$” denotes the lawful currency of the United States of America.

2 The Loans

The Lender has previously advanced the Loans to the Borrower by transfer of funds to the Borrower’s bank account (details of which account have been given by the Borrower to the Lender for the purpose).

3 Conversion

- 3.1 On and subject to the terms and conditions of this Agreement, the Company will issue to the Lender such New Shares (which rank *pari passu* with the other Shares outstanding) free and clear of all liens, claims, charges, guarantee, security, encumbrances or like interests upon conversion of the Loans and the Accrued Interest in exchange for the cancellation of the Loans based on the five-day average closing price of the Shares traded on the Stock Exchange on the date immediately preceding the date of signing this Agreement, being a date on which the Shares are freely available for trading subject to the conditions precedent under Clause 5 of this Agreement being satisfied or, where applicable, waived.

- 3.2 In respect of the conversion of the Loans and the Accrued Interest into New Shares, it shall be calculated by dividing the total amount the Loans and the Accrued Interest by the Conversion Price.

4 Approvals and Filings

The Company will use its best endeavours to obtain all approvals and consents and promptly make all notifications, registrations and filings as may from time to time be required in relation to the issuance of the New Shares.

5 Conditions

Completion of the Debt Settlement Agreement is conditional upon the fulfilment of the following conditions:

- a) the Board having passed and approved this Agreement, and the transactions contemplated thereunder (including the issue of the New Shares to the Lender under the specific mandate);
- b) the Independent Shareholders having approved and passed at the EGM, of the necessary resolution to approve this Agreement and the transactions contemplated thereunder (including but not limited the issue of the New Shares to the Lender under the specific mandate);
- c) the listing committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the New Shares and such approval and permission having not subsequently been revoked or withdrawn prior to the commencement of dealings in the New Shares on the Stock Exchange;
- d) the representations and warranties given by the parties under this Agreement being true and accurate and not misleading when made and remaining true and accurate and not misleading until the completion date; and
- e) all necessary consents and approvals required to be obtained on the part of the Company in respect of this Agreement and the transactions contemplated thereunder having been obtained.

Save for condition (d) above which can be waived by the Lender by notice in writing to the Company, none of the above conditions may be waived by the Company or the Lender. If any of the conditions set out above is not fulfilled or waived (as the case may be) on or before the Long Stop Date, this Agreement shall terminate and neither of the parties shall have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breach of such this Agreement.

6 Allotment and Issue of the New Shares

- 6.1 Subject to the fulfilment of the conditions referred to in Clause 5 of this Agreement, the Company shall, on or as soon as practicable after the date of the Completion, duly allot and issue (or confirm the allotment and issue of) the New Shares to the Lender.

6.2 In relation to the issue of the New Shares, the Company shall pay all such fees, supply all such information, give all such undertakings, execute all such documents and do all such things as may be required by applicable laws, rules and regulations and by the Stock Exchange.

7 Representations, Warranties and Undertakings

- (a) the Company has power under its memorandum and articles of associations, has taken all necessary corporate or other action and no other consents actions authorisations or approvals are necessary to enable or authorise it other than the passing of the resolution(s) and obtaining the consents and approvals referred to in Clause 5 of this Agreement:
 - (i) to allot and issue the New Shares without any sanction; and
 - (ii) to enter into and perform its obligations under this Agreement and to convert the Loans into the New Shares;
- (b) the Company has available and sufficient authorised share capital to allot and issue the New Shares;
- (c) the New Shares, when fully paid, shall rank *pari passu* in all respects among themselves and be allotted and issued free from all liens, charges, guarantee, encumbrances and third-party rights, interests or claims of any nature whatsoever; and
- (d) the obligations of the Company under this Agreement constitute legally valid and binding obligations of them respectively enforceable in accordance with the terms herein.

8 Public Float

Notwithstanding any other provision of this Agreement, the Company shall not be entitled to issue any New Shares if the Shares of the Company held by the public, after the New Shares are issued on the intended conversion of the Loans, would be less than the minimum public shareholding threshold as required under the Listing Rules. For the avoidance of doubt, if the Lender is unable to convert the Loans in their entirety for New Shares, the Lender, on the other hand, can convert part of the Loans provided that the minimum public float threshold is maintained. Otherwise, any Loans conversion notice that is served or purported as being served on the Company in respect of any such conversion shall be deemed null and void.

9 Completion

Completion shall take place on or before the tenth (10th) business day following the day upon which the conditions under Clause 5 of this Agreement have been satisfied or waived (or such later date as may be agreed between the Company and the Borrower in writing).

10 Assignment

Neither party may, without the consent of the other, assign or transfer all or part of its rights and obligations under this Agreement.

11 Remedies and Waivers

No failure on the part of the Lender to exercise, and no delay on their part in exercising, any right or remedy under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

12 Partial Invalidity

The illegality, invalidity or unenforceability of any provision of this Agreement under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

13 Notices

Any notice given hereunder shall be in writing and shall be served by hand at, or being sent by email, telex, facsimile transmission or prepaid post (airmail if overseas) to, the registered office for the time being of the addressee and any such notice shall be deemed to be duly served at the time of delivery (if delivered by hand), at the time of receipt or confirmed answerback (if served by telex), at the time of despatch (if served by facsimile transmission) or five days after posting (if served by prepaid post). Evidence that the notice was properly addressed stamped and put into the post shall be conclusive evidence of posting.

14 Contracts (Rights of Third Parties) Act 1999

That unless expressly provided for in this Agreement, no term of this Agreement is enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

15 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of England and Wales and both parties hereto submit to the non-exclusive jurisdiction of the courts of England and Wales and each party agrees promptly upon request by the other that it will appoint an agent for service of process in England.

In witness whereof this Agreement has been entered into the day and year first above written.

SIGNED by Jamie Gibson)
duly authorised for and on behalf of)
Regent Pacific Group Limited)
in the presence of:)
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Jamie Gibson
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SIGNED by Denham Eke)
duly authorised for and on behalf of)
Galloway Limited)
in the presence of:)
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