

Private and Confidential

Dated 10th October, 2025

Easyknit Properties Holdings Limited

(as Seller)

and

Eminence Enterprise Limited

(as Purchaser)

SALE AND PURCHASE AGREEMENT

for the entire issued share capital of

Mark Profit Development Limited

(owner of Shops 1, 2, 3 and Showcase on the Ground Floor, Shop 1 on the First Floor, Shop 1 on the Second Floor and Staircase and Observation Lift Areas of Fa Yuen Plaza, No. 19 Fa Yuen Street, Kowloon, Hong Kong)

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THIS AGREEMENT is dated 10th October, 2025 and made between:

- (1) **Easyknit Properties Holdings Limited**, a company incorporated under the laws of the British Virgin Islands (company number 172788) whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the “**Seller**”); and
- (2) **Eminence Enterprise Limited**, a company incorporated under the laws of Bermuda (company number 16570) whose registered office is at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda and registered in the Hong Kong as a non-Hong Kong company (company number F5114) whose business address is at Block A, 7/F., Phase 6, Hong Kong Spinners Building, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong, with its shares listed on the Main Board of the Stock Exchange (stock code 616) (the “**Purchaser**”).

BACKGROUND:

- (A) Mark Profit Development Limited (the “**Company**”) is the registered and beneficial owner of the Property. It is a wholly-owned subsidiary of the Seller as of the date of this Agreement.
- (B) The Seller is a wholly-owned subsidiary of Easyknit as of the date of this Agreement.
- (C) The Seller has agreed to sell the entire issued share capital of the Company to the Purchaser, and the Purchaser has agreed to purchase all the Shares from the Seller, upon the terms set out in this Agreement.
- (D) In this Agreement, and the recitals hereto unless otherwise expressed, words and phrases shall have the meanings as set out in Schedule 8.

THE PARTIES AGREE that:

1. AGREEMENT TO SELL AND PURCHASE

1.1 Sale and purchase

Subject to satisfaction (or, where permitted) waiver of the Conditions, the Seller shall sell, and the Purchaser shall purchase, the entire legal and beneficial ownership of the Shares.

1.2 Seller’s covenant

The Seller covenants that:

- (a) it has full power and right to transfer the legal and beneficial title in the Shares; and
- (b) the Shares shall be sold on Completion to the Purchaser or its nominee free from Encumbrances (save for the Bank Security Documents).

1.3 Waiver of pre-emption rights

The Seller waives and shall procure the waiver of all rights of pre-emption (if any) or other rights which may restrict the transfer of the Shares.

1.4 **Rights accruing to the Shares**

The Purchaser shall be entitled to exercise all rights attached or accruing to the Shares including, without limitation, the right to receive all dividends, distributions or any return of capital declared, paid or made by the Company on or after Completion.

2. **PURCHASE PRICE AND PAYMENT**

2.1 **Purchase Price**

The purchase price for the sale of the Shares (the “**Purchase Price**”) shall initially be approximately HK\$268.4 million, which shall be apportioned as follows:

- (a) the consideration for the sale of the Shares of approximately HK\$717.7 million (the “**Shares Consideration**”) which shall be equal to the net asset value of the Company as at the Completion Date after the adjustment of the following:
 - (i) minus a sum of approximately HK\$33.8 million, which shall be equal to the total fair value of the 42,308,000 shares of Best Food Holding Company Limited (“**Best Food**”, stock code: 1488) at the bid price of HK\$0.80 as at 31st March 2025 in the book of the Company, and the aforesaid shares of Best Food shall be transferred to a wholly-owned subsidiary of Easyknit before Completion (the “**Securities Transfer**”);
 - (ii) minus a sum equal to the mortgage of the Property being pledged for a bank loan of approximately HK\$120 million by Ace Winner Investment Limited, being a fellow subsidiary of the Company, which shall be novated to the Company before the Completion Date (the “**Debt Novation**”);
 - (iii) (if any) add or minus a sum equal to the difference in the value of the Property as at the Completion Date (or any other date as agreed between the parties) based on the valuation report prepared a property valuer who is an independent third party (as the case may be);
 - (iv) (if any) add or minus a sum equal to the difference in the value of the 268,000 shares of Ping An Insurance (Group) Company of China, Ltd. (stock code: 2318) as at the Completion Date (or any other date as agreed between the parties);

minus
- (b) a sum of approximately HK\$295.5 million, which shall be equal to the expected total net amount due from (i) Easyknit (being the Company’s ultimate holding company) and (ii) certain fellow subsidiaries of the Company (details of which are set out in Part 2 of Schedule 1) to the Company outstanding as at the Completion Date on a dollar-for-dollar basis (the “**Net Amount Due to the Company**”, such amount shall be eliminated in the book of the Company upon Completion).

2.2 **Payment of Purchase Price**

- (a) The final Purchase Price shall be paid by the Purchaser to the Seller by issuing the Convertible Note to the Seller or its nominee on the Completion Date.

- (b) Prior to Completion on the Completion Date, the Seller shall notify the Purchaser of the following amounts to determine the final Purchase Price:
 - (i) the Shares Consideration; and
 - (ii) the Net Amount Due to the Company.

3. CONDITIONS

3.1 Conditions

Completion is conditional on the satisfaction or waiver (as the case may be), in accordance with Clause 3.3, of each of the Conditions set out in Schedule 7.

3.2 Satisfaction of Conditions

- (a) Each of the Purchaser and the Seller shall use its reasonable endeavours to procure the satisfaction of the Conditions in its control as soon as possible after the date of this Agreement.
- (b) The Seller shall keep the Purchaser promptly informed of the progress and status of satisfaction of the Conditions.

3.3 Waiver

- (a) Subject to Clause 3.3(b), at any time before satisfaction, the Purchaser may waive the Condition in paragraph 1 of Schedule 7. Any waiver under this Clause 3.3 shall be made by notice in writing to the Seller and may be subject to such terms and conditions as the Purchaser may specify.
- (b) Notwithstanding anything provided herein to the contrary, the Conditions in paragraphs 2, 3, 4, 5 and 6 of Schedule 7 cannot be waived by either party.

3.4 Notification of the Purchaser

Upon the Seller becoming aware that any of the Conditions:

- (a) has been satisfied;
- (b) will or is likely to be delayed in satisfaction beyond the Completion Date; or
- (c) has become incapable of satisfaction by the Completion Date,

the Seller shall as soon as reasonably practicable notify the Purchaser of that fact and shall supply to the Purchaser written evidence (if available) of the satisfaction of that Condition or (as the case may be) a written explanation for the delay in satisfaction or for that Condition having become incapable of satisfaction.

3.5 **If Conditions not satisfied or waived**

If:

- (a) any of the Conditions have not been satisfied or waived in accordance with Clause 3.3 on or before the Long Stop Date; or
- (b) any fact comes to the attention of the Purchaser (whether or not it does so because of any notification made under Clause 3.4) which would prevent any of the Conditions from being satisfied on or before the Long Stop Date,

the Purchaser may by written notice to the Seller elect to terminate this Agreement in which case all rights and obligations of the parties under this Agreement shall terminate and Clause 8.1 shall apply.

3.6 **Acknowledgement of the Purchaser**

The Purchaser agrees that the Seller shall not be required to discharge or release the Bank Security Documents on or prior to Completion (save as the documents in relation to or following the Debt Novation, including but not limited to the Second Mortgage of the Property (as defined in Part 2 of Schedule 2), or any other documents required by the Bank to secure the Bank Loans).

4. **COMPLETION**

4.1 **Completion**

Completion shall take place at the principal office in Hong Kong of the Purchaser (or such other venue as may be agreed between the Seller and the Purchaser in writing) at 4:30 p.m. on the date which is ten (10) Business Days after the fulfilment or, subject to Clause 3.3(b), waiver of the last of the Conditions to be fulfilled or waived, or such other date as the Seller and the Purchaser may agree in writing (the “**Completion Date**”).

4.2 **Completion arrangements**

At Completion, the Seller and the Purchaser shall do those things listed as their respective obligations in Schedule 5.

4.3 **Effect of non-compliance with completion obligations**

- (a) Neither party is obliged to complete this Agreement unless the other party complies with the requirements of Clause 4.2 and Schedule 5.
- (b) If on the Completion Date, a party is willing and able to perform its obligations under Clause 4.2 (or if not able to perform as a result of any default by the other party of this Agreement) and the defaulting party has failed to or is unable to perform its obligations under Clause 4.2, then the non-defaulting party may:
 - (i) defer Completion to a date (being a Business Day) falling not more than twenty-eight (28) days after the date originally set for Completion, in which event the provisions of this Agreement shall apply to Completion as so deferred;

- (ii) terminate this Agreement in which case the provisions of Clause 8.1 shall apply; or
- (iii) waive all or any of the obligations of the defaulting party.

4.4 Hong Kong Stamp Duty

- (a) Subject to Completion having taken place, the bought and sold notes and instruments of transfer in respect of the Shares shall be submitted to the Stamp Office for adjudication by the Purchaser as soon as practicable after Completion (but in any event within the time prescribed under applicable law).
- (b) The Seller will, at Completion, provide to the Purchaser:
 - (i) a copy of the Company's most recent audited financial statements;
 - (ii) a copy of any subsequent management accounts of the Company, certified by a director of the Company;
 - (iii) duly completed and signed Form IRSD 102 (Schedule of Landed Properties) (or any equivalent forms) prescribed by the Inland Revenue Department, Stamp Office.

and will, following Completion, promptly provide to the Purchaser any other documentation (certified as being true copies where so requested) which the Purchaser may reasonably request in connection with the submission to the Stamp Office contemplated by this Clause.

- (c) The Seller shall immediately on demand of the Purchaser pay to the Purchaser the amount of any Vendor's ad valorem stamp duty determined payable by the Stamp Office.

5. WARRANTIES AND UNDERTAKINGS

5.1 Warranties accurate etc

The Seller warrants, represents and undertakes to the Purchaser that each of the Warranties is at the date of this Agreement in all respects true, accurate, complete and not misleading.

5.2 Warranties to be accurate etc up to and at Completion

The Seller warrants, represents and undertakes that the Warranties at Completion will be in all respects true, accurate, complete and not misleading as if repeated by reference to the facts and circumstances then existing.

5.3 Seller to notify breaches prior to Completion

The Seller shall, between the date of this Agreement and Completion, immediately notify the Purchaser in writing, in sufficient detail to enable the Purchaser to make a proper assessment of the matter, if it becomes aware of any fact or circumstance which constitutes a breach of Clause 5.1, Clause 5.2 or Clause 7.1 and Schedule 6 or which has caused or will or might be reasonably expected to cause a Warranty to become untrue, inaccurate, incomplete or misleading at any time before Completion or if any notice is served on the

Company or the Seller by any Relevant Authority in respect of the Property or the Company.

5.4 Matters Disclosed and Limitation

- (a) The Seller will not be liable to the Purchaser in respect of the Warranties or any other matter under this Agreement to the extent of (i) the matters Disclosed (if any), or (ii) anything done or omitted to be done pursuant to this Agreement or otherwise at the written request or approval of the Purchaser.
- (b) The liability of the Seller under this Agreement (including the Warranties) shall be limited as set out in Schedule 4.

6. INDEMNITIES

6.1 Tax Indemnity

Subject to the matters set out in Schedule 4, the Seller indemnifies the Purchaser against:

- (a) any Taxes which are or become payable by the Purchaser or the Company in respect of the activities of the Company prior to the Completion Date and which were not disclosed in the Audited Accounts and Management Accounts; and
- (b) any and all reasonable costs, expenses or other liabilities which the Purchaser or the Company incurs in connection with any legal proceedings in which the Purchaser claims under Clause 6.1(a) in which judgement is given for the Purchaser, or any settlement of any such claim, and the enforcement of any such settlement or judgement

(the “**Tax Indemnity**”).

6.2 Time of Payment

Any payments under Clause 6.1 shall be payable not later than the following dates:

- (a) if the relevant Taxation liability involves an actual payment of Taxation by the Company, five (5) Business Days before the date on which that Taxation becomes due and payable;
- (b) if the relevant Taxation liability involves a denial or loss in whole or in part of a relief or deduction from Taxation, the date falling five (5) Business Days after the date when the Seller has been notified by the Purchaser that the Company’s auditors have certified that there has been such a denial or loss of the whole or part of a relief or deduction; and
- (c) if any costs become payable by the Company or the Purchaser in connection with any Taxation liability, no more than five (5) Business Days before the Company or the Purchaser (as the case may be) becomes liable to pay such costs.

7. CONDUCT PENDING AND AFTER COMPLETION

7.1 Conduct between exchange and Completion

The Seller undertakes that it shall procure the Company, between the date of this Agreement and Completion, not to do any of the matters as set out in Schedule 6, save with the prior written consent of the Purchaser.

7.2 Due Diligence

- (a) The Seller hereby expressly agrees with the Purchaser that the Purchaser shall, as soon as practicable and in any event within five (5) Business Days after the Conditions in paragraphs 2 and 3 of Schedule 7 shall have been fulfilled, be given reasonable access to (i) the untenanted parts of the Property and (ii) any documents (including corporate, financial and Tax) which are in the possession of the Company or the Seller which may be reasonably required by the Purchaser to facilitate the Purchaser to carry out the due diligence exercise in respect of the Company and the Property ("**Due Diligence**").
- (b) Upon request by the Purchaser, the title deeds of the Property shall be provided to the Purchaser as soon as possible and (if the title deeds of the Property have been deposited with the lender of the Bank Loans) within two (2) Business Days of receipt of the title deeds from the lender of the Bank Loans and in any event prior to the expected Completion Date.
- (c) Pending Completion, the Seller shall procure the Company to use reasonable endeavours to rectify any issues as may be identified by the Purchaser during Due Diligence and mutually agreed between the parties that it is necessary to rectify such issues in order to proceed with Completion and that such issues could be rectified, provided that the existence of such issues and the status of their rectification shall in no event be a cause for the Purchaser to refuse Completion or to request for abatement of the Purchase Price or otherwise hold the Seller liable for damages or compensation or otherwise.
- (d) The Seller shall, where applicable, provide a list of matters disclosed during Due Diligence to the Purchaser not later than three (3) Business Days prior to Completion. Such list shall be referred to as the "Disclosures".

8. TERMINATION

8.1 Effects of Termination

If this Agreement is terminated in accordance with Clause 3.5 or Clause 4.3(b), then all rights and obligations of the parties will cease immediately upon termination, except that:

- (a) If this Agreement is terminated in accordance with Clause 3.5, then

following which this Agreement shall terminate and no party to this Agreement shall have any claim against the other, but without prejudice to the accrued rights and obligations of the parties before that termination;

- (b) if the Purchaser is the non-defaulting party and elects to terminate this Agreement in accordance with Clause 4.3(b), then

the termination shall not affect or prejudice the then accrued rights and obligations of the Purchaser (including the right to damages for the breach, if any, giving rise to the termination and any other pre-termination breach by any party);

- (c) if the Seller is the non-defaulting party and elects to terminate this Agreement in accordance with Clause 4.3(b), then

the termination shall not affect or prejudice the then accrued rights and obligations of the Seller (including the right at the discretion of the Seller to retain or re-sell the subject matter of this Agreement and the right to claim damages and remedies for the breach of the terms hereof by the Purchaser); and

- (d) termination will be without prejudice to the continued application of Clause 9 (and all provisions relevant to the interpretation and enforcement thereof), which will remain in full force and effect.

8.2 Specific Performance

Either party may institute any action, claim, or legal proceedings to enforce the provisions of this Agreement, and the party against whom such action, claim, or legal proceedings is brought hereby waives any claim or defence that such party has an adequate remedy at law and accepts that this Agreement may be enforced by injunction, specific performance or other equitable relief ordered by any court of competent jurisdiction.

9. CONFIDENTIALITY AND ANNOUNCEMENTS

9.1 Confidentiality

- (a) Subject to Clause 9.2, each party shall treat as strictly confidential:

- (i) the existence, provisions or subject matter of this Agreement or of any document or agreement entered into pursuant to this Agreement; and
- (ii) the negotiations relating to this Agreement.

9.2 Exceptions

A party may disclose information referred to in Clause 9.1 (including by way of press or public announcement or the issue of a circular) which would otherwise be required to be kept confidential if and to the extent that the disclosure is:

- (a) approved by the other party in writing in advance;
- (b) required by the law of any relevant jurisdiction or by a court of competent jurisdiction;
- (c) required by any securities or investment exchange or regulatory or governmental body to which a party or its holding company is subject or reasonably submits, wherever situated;

- (d) required to vest in that party the full benefit of this Agreement;
- (e) made to the professional advisers, auditors or bankers of that party or of any member of the Seller's Group or of any member of the Purchaser's Group subject to the condition that the party making the disclosure shall procure that those persons comply with Clause 9.1 as if they were parties to this Agreement;
- (f) made to the officers or employees of that party or of any other member of the Seller's Group or of any other member of the Purchaser's Group who need to know the information for the purposes of the transactions effected or contemplated by this Agreement subject to the condition that the party making the disclosure shall procure that those persons comply with Clause 9.1 as if they were parties to this Agreement;
- (g) of information that has already come into the public domain through no fault of that party;
- (h) of information of the kind referred to in Clause 9.1(a)(iii) which is already lawfully in the possession of that party as evidenced by its or its professional advisers' written records and which was not acquired directly or indirectly from the other party to whom it relates;
- (i) of information relating to the terms of this transaction and made to the investors of the Seller and the Purchaser or made by the Purchaser to any future bona fide potential purchaser of the Shares; or
- (j) made for the purpose of satisfying the Conditions;

provided that any information disclosed pursuant to Clause 9.2(b) or (c) shall be disclosed only, if reasonably practicable, after notice to the other party (except where that notice is prohibited by law) and the disclosing party shall take reasonable steps to consult and co-operate with the other party regarding the content, timing and manner of that disclosure.

9.3 No limit in time

The restrictions contained in this Clause shall continue to apply after the rescission or termination of this Agreement and, following Completion, shall continue to apply without limit in time.

9.4 Notices to others etc.

Nothing in this Agreement shall prohibit the Purchaser from making or sending after Completion any announcement to a client, tenant or supplier of the Company informing it that the Purchaser has purchased or agreed to purchase the Shares.

10. GENERAL

10.1 Costs and Stamp Duty

- (a) Except to the extent this Agreement provides otherwise, each party shall be responsible for all the costs, charges and expenses incurred by it in connection with and incidental to the negotiation, preparation, execution and completion of this

Agreement, the other documents referred to in this Agreement and the sale and purchase under this Agreement.

- (b) The stamp duty and all other taxes (if any) in respect of the transfer of the Shares shall be borne solely by the Parties in equal shares.

10.2 **Entire agreement**

- (a) This Agreement contains the entire agreement between the parties as to its subject matter and supersedes any previous agreement between the parties relating to its subject matter.
- (b) Nothing contained in this Agreement shall affect or diminish the liability of the Seller in respect of any reply given by them or on their behalf to the Purchaser in respect of enquiries regarding the Company or the Property.

10.3 **Continuing Effect**

Each provision of this Agreement shall continue in full force and effect after Completion.

10.4 **Amendments**

No amendment or variation of the terms of this Agreement shall be effective unless it is made or confirmed in a written document signed by each party.

10.5 **Waivers**

No failure or delay by a party to exercise any right under this Agreement or otherwise will operate as a waiver of that right or any other right nor will any single or partial exercise of any such right preclude any other or further exercise of that right or the exercise of any other right.

10.6 **Rights and remedies exclusive**

The rights, powers and remedies of each party under this Agreement are cumulative and not exclusive of any rights or remedies of that party under the general law.

10.7 **Further assurance**

The Seller shall sign such documents and perform such acts (or procure the same) as the Purchaser shall from time to time reasonably require, to give full effect to this Agreement.

10.8 **Counterparts**

This Agreement may be executed in any number of counterparts, and by the parties on separate counterparts.

10.9 **Notices**

- (a) All notices and other communications relating to this Agreement:
 - (i) shall be in English and in writing;

- (ii) shall be delivered by hand or sent by post; and
 - (iii) subject to Clause 10.10, shall be delivered or sent to the party concerned at the relevant address or number, as appropriate, and marked all as shown in Clause 10.9(b), subject to such amendments as may be notified from time to time in accordance with this Clause by the relevant party to the other party by no less than five (5) Business Days' notice.
- (b) The initial details for the purposes of Clause 10.9(a) are

Seller

Address: c/o Block A, 7/F., Phase 6, Hong Kong Spinners Building,
481-483 Castle Peak Road, Cheung Sha Wan, Kowloon

For the Attention of: The Directors

Purchaser

Address: Block A, 7/F., Phase 6, Hong Kong Spinners Building, 481-
483 Castle Peak Road, Cheung Sha Wan, Kowloon

For the Attention of: The Directors

- (c) Each of the communications referred to in this Clause 10.9 shall take effect:
- (i) on personal delivery to any director or the secretary of an addressee or on a business day to a place for the receipt of letters at that addressee's authorised address;
 - (ii) in the case of posting, where the addressee's authorised address is in the same country as the country of posting, at 10 a.m. (local time at the place where the address is located) on the second working day after the day of posting; and
 - (iii) in the case of posting, where the addressee's authorised address is not in the same country as the country of posting, at 10 a.m. (local time at the place where that address is located) on the fifth working day after the day of posting.
- (d) For the purpose of this Clause 10.9, a "**working day**" means a day which is not a Saturday or a Sunday or a public holiday in the country of posting or in the jurisdiction where the authorised address of the intended recipient is located and, where a notice is posted, which is not a day when there is a disruption of postal services in either jurisdiction which prevents collection or delivery.

10.10 **Governing law and jurisdiction**

- (a) This Agreement shall be governed by and construed in accordance with Hong Kong law.
- (b) The parties submit to the non-exclusive jurisdiction of the Hong Kong courts.

- (c) The Seller appoints Easyknit International Holdings Limited whose business address is at Block A, 7/F., Phase 6, Hong Kong Spinners Building, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong (Attn: Koon Ho Yan Candy) as its agent for that purpose accepts its appointment. For the purposes of Order 10 Rule 3 of the Rules of the High Court (Cap. 4A), any Service Document shall be sufficiently served on the Seller if delivered to its process agent as specified in this Clause 10.10(c), but the Purchaser reserves the right to serve on the Seller in any other manner permitted by applicable law.
- (d) If for any reason an agent appointed under this Clause 10.10 ceases to act as such or ceases to have an address in Hong Kong, the Seller or the Purchaser (as the case may be) shall as soon as reasonably practicable appoint another agent for that purpose and notify the other parties of the appointment and the new agent's name and address.

10.11 Exclusion of Application of Contracts (Rights of Third Parties) Ordinance

The parties hereto do not intend any term of this Agreement (including any variations, modifications, amendments and/or supplements thereto) to be enforceable by any person other than the parties pursuant to the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong).

EXECUTION:

The parties have shown their acceptance of the terms of this Agreement by executing it after the Schedules.

SCHEDULE 1
PART 1
DETAILS OF THE COMPANY

Name	:	Mark Profit Development Limited (卓益發展有限公司)
Date of incorporation	:	18 th June 1997
Place of incorporation	:	Hong Kong
Company number	:	613572
Registered office	:	Block A, 7/F, Phase 6, Hong Kong Spinners Building, 481-483 Castle Peak Road, Cheung Sha Wan, Hong Kong
Directors	:	(1) LUI Yuk Chu (雷玉珠) (2) KOON Ho Yan Candy (官可欣)
Secretary	:	Gold Winner Investment Limited (宇榮投資有限公司)
No(s) of issued share(s)	:	1
Shareholders	:	Easyknit Properties Holdings Limited
Accounting reference date	:	31 st March
Auditors	:	Zhonghui Anda CPA Limited

SCHEDULE 1
PART 2
DETAILS OF NET AMOUNT DUE TO THE COMPANY

Outstanding amount: approximately HK\$295.5 million, details of which are set out in the expected current account in the book of the Company as at the Completion Date below:

Current account with	In the book of the Company Due from (to) HK\$' million (approximate)
Easyknit (being the Company's ultimate holding company)	313.6
Ace Winner Investment Limited (being the Company's fellow subsidiary)	0.9
Main Profit Investment Limited (being the Company's fellow subsidiary)	(10.3)
Golden Star Investment Limited (being the Company's fellow subsidiary)	(6.7)
Good Merit Management Limited (being the Company's fellow subsidiary)	(1.2)
Easyknit Properties Management Limited (being the Company's fellow subsidiary)	(0.5)
Widetop Investment Limited (being the Company's fellow subsidiary)	(0.3)
	<u>295.5</u>

SCHEDULE 2 THE PROPERTY

Part 1 Details of the Property

Shops 1, 2, 3 and Showcase on the Ground Floor, Shop 1 on the First Floor, Shop 1 on the Second Floor and Staircase and Observation Lift Areas of Fa Yuen Plaza, No. 19 Fa Yuen Street, Kowloon, Hong Kong (the “**Property**”). All those 962 equal undivided 4,655th parts or shares of and in all that piece or parcel of ground registered in the Land Registry as Kowloon Inland Lot No.11123 (the “**Lots**”).

Part 2 List of Bank Security Documents

1. First Mortgage of the Property dated 24th September 2015 executed by the Company in favour of the Bank (the “**First Mortgage of the Property**”)
2. Second Mortgage of the Property dated 11th June 2020 executed by the Company and Ace Winner Investment Limited (a fellow subsidiary of the Company) in favour of the Bank (the “**Second Mortgage of the Property**”)
3. Assignment of Insurances (as referred to in the First Mortgage of the Property)
4. Assignment of Rentals and Receivables (as referred to in the First Mortgage of the Property)
5. Assignment of Sale Proceeds (as referred to in the First Mortgage of the Property)

Part 3 Details of Bank Loans

- (i) Outstanding amount (including interest accrued) owing to the Bank by the Company (as borrower): approximately HK\$302 million as at 31st March 2025. This loan is secured by the first mortgage on the Property owned by the Company.
- (ii) Outstanding amount (including interest accrued) owing to the Bank by Ace Winner Investment Limited (a fellow subsidiary of the Company, as borrower): approximately HK\$120 million as at 31st March 2025, which shall be novated to the Company before the Completion Date. This loan is secured by the second mortgage on the Property owned by the Company (as mortgagor).

Part 4 Details of Tenancies

The Property is subject to a tenancy in favour of an Independent Third Party tenant for a term of three (3) years commencing on 18th April 2025 and expiring on 17th April 2028 (both days inclusive), at a monthly rent of HK\$925,000, exclusive of government rates, management fees and utility charges.

SCHEDULE 3 WARRANTIES

1. CAPACITY AND AUTHORITY

1.1 Right, power, authority and action

- (a) The Seller has the right, power and authority to execute, deliver and exercise its rights, and perform its obligations, under this Agreement.
- (b) The execution of this Agreement and the transfer of the Shares from the Seller to the Purchaser does not breach any agreement or applicable law binding on the Company.

1.2 Binding agreements

The Seller's obligations under this Agreement, and each document to be executed at Completion are, when the relevant document is executed will be, enforceable in accordance with their terms.

2. CORPORATE MATTERS

2.1 Particulars of the Company

The particulars of the Company set out in Schedule 1 (*Details of the Company*) are true, complete, accurate and not misleading.

2.2 Constitution of the Company

The Company has been duly incorporated and validly exists under the laws of the place at which it is incorporated and has all requisite corporate powers and authority to own its properties and to conduct the business being carried on by it.

2.3 Shares free From Encumbrances

The Shares and any unissued debentures or other securities of the Company (if any) are free from and unaffected by any Encumbrance save for the Bank Security Documents.

2.4 Ownership of Shares

The Seller is the sole legal and beneficial owner of the Shares in the manner as set out in Part 1 of Schedule 1 (*Details of the Company*).

2.5 Entire issued share capital

The Shares constitute the whole of the issued and allotted share capital of the Company and are fully paid.

2.6 Options

There are not in existence any rights or options to or for the issue, allotment or transfer of any share capital of the Company.

2.7 No interest in other companies

The Company is not the legal or beneficial owner of any shares of, and does not control, any company or other legal entity.

2.8 Statutory Books

- (a) The register of members and all other available statutory books of the Company in the Seller's possession have been properly kept and contain a true, accurate and complete record of all matters with which they should deal.
- (b) The copy of the constitutional document of the Company which has been supplied to the Purchaser is complete, accurate and up to date.

2.9 Business of the Company

The principal business of the Company is property and securities holding and it has no other business or operations.

2.10 Borrowings

Save for the Bank Loans, the Company has no borrowings or indebtedness having the commercial effect of borrowings.

3. ACCOUNTING AND RECORDS

3.1 General

All the accounts, ledgers and other financial records of the Company required to be kept by law have been properly kept and are accurate in all material respects.

3.2 Audited Accounts

The Last Audited Accounts of the Company:

- (a) comply with the requirements of all relevant laws and all applicable Hong Kong Financial Reporting Standards (which term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance) (the “**Relevant Accounting Standards**”) and are complete and accurate in all material respects;
- (b) have been prepared in a manner fully consistent with that used in preparing the Audited Accounts for the previous three completed financial years;

- (c) give a true and fair view of the assets, liabilities and financial affairs generally of the Company as at Last Accounting Date for which they were prepared and the profit or loss of the Company in respect of such financial period;
- (d) as at relevant accounting date at which they were prepared make: -
 - (i) proper provision for all known liabilities;
 - (ii) proper disclosure of and proper provision for (or note in accordance with all Relevant Accounting Standards) all capital commitments and all deferred or contingent liabilities (including Taxation of the Company); and
 - (iii) proper provision for all doubtful receivables, and all bad receivables have been written off; and
- (e) are not affected by any unusual or non-recurring items except those which are disclosed as such in the Last Audited Accounts.

3.3 Management Accounts

The Management Accounts:

- (a) have been prepared on a basis consistent with the Last Audited Accounts and with due care and attention;
- (b) show with reasonable accuracy the state of affairs and the assets and liabilities of the Company as at and for the period in respect of which they have been prepared; and
- (c) has not been any material adverse change in the assets and liabilities of the Company since the date of such accounts.

3.4 Changes since the Last Accounting Date

Since the Last Accounting Date:

- (a) the Company has not declared, paid or made a dividend or distribution;
- (b) the business of the Company has been carried on in the ordinary and usual course and in the same manner (including nature and scope) as in the past. No material asset of the Company has been acquired or disposed of, or has been agreed to be acquired or disposed of, otherwise than in the ordinary course of business;
- (c) no unusual or abnormal contract has been entered into by the Company; and
- (d) no material liability has been created by, or has otherwise arisen in respect of the Company.

3.5 Bank Accounts

All bank account(s) maintained by the Company has been and/or will be disclosed to the Purchaser before Completion.

4. PROPERTY MATTERS

- (a) The Company is the legal and beneficial owner of the Property.
- (b) The Property comprises all the property owned, occupied or otherwise used by the Company.
- (c) The government rent, rates, management fees and all other Ordinary Outgoings in respect of the Property have been duly paid up to the date hereof and will be duly paid up to Completion.
- (d) The Company has not contracted to sell or let or grant any option over or otherwise dispose of its interest in or part with the possession of the Property or any part of it, except the granting of the Tenancies and the Material Agreement (as the case may be).
- (e) For the parts of the Property subject to the Tenancies, at Completion, such parts of the Property shall be delivered subject to the Tenancies on an “as-is” basis. For the parts of the Property not subject to the Tenancies, at Completion, such parts of the Property shall be delivered with vacant possession on an “as-is” basis.
- (f) There are no outstanding notices, orders, complaints or requirements issued by any Government Authority in respect of the Property or any part of it.
- (g) There are no outstanding material disputes, claims, complaints between the Company and any third party affecting the Property.

5. THE TENANCIES

The Property is now only subject to and with the benefit of the Tenancies and no other occupation of whatsoever nature.

6. INSURANCE

6.1 Existing policies Disclosed

The Company has in force all insurances required by law. Each of the Insurance Policies have been Disclosed.

6.2 Status of the Insurance Policies

Neither the Company nor the Seller has done anything or omitted to do anything and there are no circumstances which have, will or which might make any of the Insurance Policies void or voidable.

6.3 Premiums

All premiums that are due under the Insurance Policies have been paid and all other conditions of the Insurance Policies have been performed and observed in full.

7. LITIGATION AND COMPLIANCE WITH LAWS

- (a) The Company has conducted its business and affairs in accordance with all applicable laws and regulations in all material respects.
- (b) The Company is not involved as claimant or defendant in:
 - (i) any legal proceeding, arbitration, tribunal proceeding or prosecution (other than frivolous or vexatious claims or as claimant in the collection of debts arising in the ordinary course of business); or
 - (ii) any governmental or regulatory investigation.
- (c) No power of attorney given by the Company is now in force or effect.

8. SOLVENCY

- (a) No receiver or manager has been appointed in respect of the assets or undertaking of the Seller or the Company.
- (b) No petition has been presented, and no order has been made, for the winding up or dissolution of the Seller or the Company.
- (c) No distress, execution, sequestration or other process has been levied or enforced on or against the whole or any part of the property of the Company or the Seller and, none are threatened or proposed.
- (d) Neither the Seller or the Company is unable to pay its debts as they fall due.

9. CONTRACTS AND COMMITMENTS

9.1 Disclosure of material contracts

Upon request by the Purchaser, copies of Material Agreements have been provided to the Purchaser.

9.2 No invalidity of a Material Agreement

No fact or circumstance exists which might invalidate or give rise to a ground for termination, avoidance or repudiation of any Material Agreement. No party with whom the Company has entered into a Material Agreement has given notice of its intention to terminate, or has sought to repudiate or disclaim, such agreement.

9.3 No breach of a Material Agreement

Neither the Company nor any party with whom the Company has entered into a Material Agreement is in material breach of the agreement. The Company has not waived any of its rights under a Material Agreement.

9.4 Indebtedness

Except for the Bank Loans, the Company has not had any outstanding and has not agreed to create or incur material loan capital, borrowings or indebtedness in the nature of borrowings or finance lease (being a lease which is a form of financing, rather than an operating lease), hire purchase or title retention agreement, conditional sale agreement or other off-balance sheet financing, or any forward, swap or any other financial derivative contract or hedging arrangement.

9.5 Event of Default

The Seller has obtained consent from the Bank with respect to transfer of the Shares and the entering into this Agreement and the completion of the transactions contemplated herein shall not constitute an event of default under the Bank Security Documents.

10. TAX

10.1 Payment of tax

The Company has duly paid all Taxation which it is or has been liable and due to pay prior to the date of this Agreement.

10.2 Administration and compliance

- (a) All returns, notifications, computations, registrations and payments which should have been made or filed by the Company for any Taxation purpose were made or filed within the requisite periods and were when made or filed and remain up to date, correct and on a proper basis.
- (b) As at the date of this Agreement, the Company is not involved in any material dispute in relation to Taxation and, no authority has investigated or indicated that it intends to investigate the Taxation affairs of the Company.

10.3 Stamp duty

All documents which are in the possession of the Company or by virtue of which the Company has any right and which were susceptible to stamping have been duly stamped or will be duly stamped before Completion.

11. STAFF AND EMPLOYEES

As at Completion, the Company will have no staff or employees.

SCHEDULE 4 LIMITATIONS ON CLAIMS

1. NO CLAIM FOR MATTERS DISCLOSED OR DONE AT PURCHASER'S REQUEST

- (a) The Purchaser shall not be entitled to claim against the Seller for breach of any of the Warranties in respect of (i) any matters Disclosed; and (ii) any matter within the actual knowledge of the Purchaser on or prior to the date of this Agreement.
- (b) The Purchaser shall not be entitled to claim against the Seller for breach of this Agreement (including in respect of any of the Warranties or Tax Indemnity) arises directly or indirectly from any fact, event, matter or circumstance after the date of this Agreement done or omitted to be done at the written request of or with the prior written approval of the Purchaser.

2. TIME LIMITS ON CLAIMS

- (a) Subject to sub-clause (b), no claim shall be brought by the Purchaser unless it shall have given notice in writing of the claim to the Seller: -
 - (i) in the case of a claim under the Tax Indemnity and the Tax Warranty, not later than the expiration of a period of three (3) years commencing on the Completion Date; and
 - (ii) in any other case not later than the expiration of a period of twelve (12) months commencing on the Completion Date.
- (b) The liability of the Seller in respect of any such claim shall in any event terminate if the legal proceedings in respect of it has not been commenced by being issued and served within six (6) months of the notice given in respect of such claim under sub-clause (a) above.

3. MINIMUM CLAIMS

The Seller shall only be liable in respect of any claim brought by the Purchaser for breach of this Agreement if the aggregate amount of all claims brought by the Purchaser exceeds a total of HK\$100,000.00.

4. TOTAL LIABILITY

The aggregate liability of the Seller in respect of claim(s) brought by the Purchaser for breach of this Agreement shall not exceed a maximum sum equivalent to the final Purchase Price.

5. RECOVERY FROM THIRD PARTIES

If any payment is made by the Seller in or towards the settlement of any claim made pursuant to this Agreement and the Purchaser or the Company subsequently recovers or procures the recovery from a third party (including insurers) of an amount which is referable to that claim, the Purchaser shall or shall procure that the Company shall forthwith repay to the Seller an amount equal to whichever is the lesser of:

- (a) the amount recovered from the third party; and
- (b) the amount paid by the Seller in or towards settlement of the claim,

in each case less all reasonable costs, charges and expenses incurred in making the recovery.

6. CONTINGENT LIABILITIES

The Purchaser shall not be entitled to claim against the Seller for any liability which is contingent unless and until such contingent liability becomes an actual liability and is due and payable.

7. OTHER LIMITATIONS

Without prejudice to the above, the Purchaser shall not be entitled to claim against the Seller if and to the extent that:

- (a) provision or reserve in respect of the subject matter of the claim or Tax in question has been made in the Audited Accounts and the unaudited management accounts of the Company for the period up to the Completion Date;
- (b) the claim or the Tax in question would not have arisen but for any voluntary act, omission, transaction or arrangement (or any combination of any of the same) after Completion of the Purchaser or the Company or any successor in title to the Shares or their respective directors, employees or agents, including but not limited to :-
 - (i) the disposal or sale or transfer of the whole or part of the Property by the Company after Completion;
 - (ii) the disposal or sale or transfer (whether directly or indirectly) of the whole or part of the share(s) in the Company after Completion; or
 - (iii) any act or thing done amounting to a change of the Company's intention in holding the Property after Completion or otherwise resulting in a revaluation of the Property by the Tax Authority;
- (c) the claim or the Tax in question would not have arisen but for any change in the accounting policy or practice of the Company made on or after Completion;
- (d) the claim or the Tax in question arises or is increased as a result of the passing of, or any change in or any change in the interpretation of, any law, rule, regulation or administrative practice of any government, government department, local or state agency, authority, regulatory or fiscal body made on or after Completion with retrospective effect;
- (e) the claim or the Tax in question arises or to the extent that such claim is increased as a result of the Purchaser not complying with its obligations under this Agreement;
- (f) the subject matter of the claim has been made good or has otherwise been compensated for without cost to the Purchaser or the Company; or

- (g) the claim is (or would have been if notified to the Seller or the insurers in a timely manner) recovered by the Purchaser or the Company under a policy of insurance.

8. MITIGATION

The Purchaser has a common law duty to mitigate any loss or damage incurred by it as a result of any breach of any of the Warranties or any terms of this Agreement.

9. NO DOUBLE RECOVERY

The Purchaser shall not be entitled to recover damages or obtain payment, reimbursement, restitution or indemnity more than once in respect of any one matter, fact, event or circumstance giving rise to a claim for breach of any of the Warranties or other obligations under this Agreement.

10. CONSEQUENTIAL LOSS

The Purchaser shall not be entitled to claim for any indirect or consequential loss, whether actual or prospective.

11. MARKET CONDITIONS

For the avoidance of doubt, notwithstanding any other provisions of this Agreement or any Warranties, the Seller shall not be liable to the Purchaser in respect of (and any Warranty shall be deemed not to be breached if it becomes untrue solely as a result of) any change or price fluctuation in the property market in Hong Kong.

SCHEDULE 5 COMPLETION ARRANGEMENTS

1. SELLER'S OBLIGATIONS AT COMPLETION

- 1.1 **Authorisation:** The Seller shall deliver to the Purchaser as evidence of the authority of each person executing this Agreement and any document referred to in this Schedule on the Seller's behalf a certified copy of the minutes of a duly held meeting of the directors of the Seller (or equivalent body of the Seller) authorising the execution by the Seller of the document or its relevant extract.
- 1.2 The Seller shall deliver to the Purchaser:
- (a) **Executed documents:** instruments of transfer and sold notes in respect of the Shares in favour of the Purchaser, or as it may direct, duly executed by the Seller together with the original share certificate for the Shares (or an indemnity in form and substance satisfactions to the Purchaser in case of any lost certificate).
 - (b) **Resignation of directors and secretary (if any):** if required by the Purchaser, written resignations from the secretary and directors of the Company confirming no outstanding claims against the Company;
 - (c) **Delivery of statutory books etc.:** the common seal and chop(s), certificate of incorporation (and any certificate of incorporation on change of name) and all the statutory books of the Company (together with all unissued share certificates) properly written up to the day prior to the Completion Date (including the register of members, register of mortgages, register of directors and register of secretaries), the books of account, the minute books of meetings of the Company and of its boards of Directors, all accounting records, copies of all Tax return(s) filed, Tax computation and related correspondence (if any), all contracts to which the Company is a party and all other documents and records of the Company, in each case in the possession of or held to the order of the Company or the Seller;
 - (d) **Delivery of documents of title:** all documents of title to the Property, together with the Tenancies, any guarantees and all expired leases relating to the Property, in the possession of the Seller and the Company;
 - (e) **Resignation of auditors (if required):** if required by the Purchaser, a letter of resignation as auditors of the Company signed by the auditors of the Company together with confirmation that the auditors have no outstanding claims against the Company;
 - (f) **Bank Accounts:** if required by the Purchaser, copies of all existing bank mandates and statements of the balances of any bank accounts in the name of the Company, as at the close of business on the last Business Day before the Completion Date;
 - (g) **Keys:** (where applicable) all keys of the Property except where the relevant property is subject to Tenancies at Completion;

- (h) **Stamping:** the schedule of landed properties (I.R.S.D102) duly completed and certified by a director of the Company together with other documents as required in Clause 4.4(b) of this Agreement.

2. BOARD MEETING OR WRITTEN BOARD RESOLUTION OF THE COMPANY

2.1 The Seller shall cause to be duly held a meeting of the board of directors of the Company or written resolutions of the board of directors of the Company at which the directors:

- (a) **Approve transfer:** approve the transfer of the Shares, the cancellation of the share certificate in the name of the Seller, the issuance of new certificate in respect of the Shares in the name of the Purchaser or its nominee and the registration of the Purchaser or its nominee as member of the Company in respect of the Shares (subject to the production of properly stamped transfers);
- (b) **Change directors:** if required by the Purchaser, approve the acceptance of the resignation of the directors of the Company and appoint persons nominated by the Purchaser as directors of the Company with effect from the Completion Date;
- (c) **Change secretary:** if required by the Purchaser, approve the acceptance of the resignation of the secretary of the Company and appoint persons nominated by the Purchaser as secretary of the Company with effect from the Completion Date;
- (d) **Change auditors:** if required by the Purchaser, approve the acceptance of the resignation of the auditors of the Company and the appointment as new auditors of the Company of such person or firm as the Purchaser may nominate with effect from the Completion Date;
- (e) **Change registered office:** if required by the Purchaser, approve the change in the registered office of the Company to such address as may be nominated by the Purchaser;
- (f) **Use of seal:** approve the sealing of the share certificates for the Shares in favour of the Purchaser (or its nominee);
- (g) **Change bank signatories:** if required by the Purchaser, approve the revocation of the existing authorised signatories of the bank account(s) of the Company and appointment of the authorised signatories as may be nominated by the Purchaser; and
- (h) **Any other business:** any other business which may be necessary or desirable to give full effect to the sale and purchase provided for in this Agreement,

and the Seller shall supply certified true copy of the duly signed minutes of the meeting or written board resolution to the Purchaser.

3. PURCHASER'S OBLIGATIONS AT COMPLETION

3.1 The Purchaser shall deliver to the Seller:

- (a) **Executed documents:** instruments of transfer and bought notes in respect of the Shares in favour of the Seller, or as it may direct, duly executed by the Purchaser; and

- (b) **Convertible Note:** the Convertible Note duly executed under seal in favour of the Seller (or its nominee) which shall satisfy its obligation to pay the final Purchase Price.

SCHEDULE 6

CONDUCT OF BUSINESS UNTIL COMPLETION

The Seller shall ensure that the Company shall not do nor agree (conditionally or unconditionally) to do any of the following unless the prior written consent of the Purchaser is obtained:

1. Dispose of, or grant any option or right of pre-emption in respect of, or acquire, any fixed asset.
2. Acquire or dispose of any interest in any asset (except in the ordinary course of business as carried on at the date of this Agreement) or assume or incur, a liability, obligation or expense (actual or contingent) except in the ordinary course of business as carried on at the date of this Agreement.
3. Enter into any joint venture, partnership or profit share.
4. Save for the Tenancies, the Bank Security Documents and any other documents required by the Bank to secure the Bank Loans, create, extend, grant or issue any mortgage, charge, debenture, pledge, lien, encumbrance or other security or third party right (other than liens arising in the ordinary course of business) over any of its assets.
5. Save for such documents as required by the Bank to secure the Bank Loans, create, extend or grant any guarantee, indemnity, performance bond or other security or contingent obligation in the nature of a financial obligation or incur any liability in the nature of borrowing including letters of comfort or support.
6. Create, allot or issue any shares, loan capital, securities convertible into shares or any option or right to subscribe in respect of any shares, loan capital or securities convertible into shares.
7. Declare, pay or make any dividend or distribution.
8. Make or agree to make any capital commitment or approve any capital expenditure.
9. Allow any of its insurances to lapse or do anything to make any Insurance Policy void or voidable or would or would be likely to, increase any premium payable in respect of such policy or prejudice the ability to effect equivalent insurance in the future.
10. Alter the provisions of its constitutional documents or adopt or pass regulations or resolutions inconsistent with them.
11. Reduce its share capital.
12. Enter into, renew, amend, terminate or dispose of any tenancy or lease agreement in respect of any Property (including any Tenancies) or acquire or dispose of any interest in any Property except as Disclosed.
13. Appoint any directors, secretaries or grant any power of attorney.
14. Save in connection with rental recovery in the ordinary course of business, start any civil, criminal, arbitration or other proceedings.

15. Settle, compromise, release, discharge or compound any civil, criminal, arbitration or other proceedings or any liability, claim, action, demand or dispute or waive any right in respect of the foregoing.
16. Pass any resolution in general meeting (other than any resolution constituting ordinary business conducted at an annual general meeting).

SCHEDULE 7 CONDITIONS

1. Due Diligence

The Purchaser having completed its due diligence review on the Company and the Property and being satisfied with the results thereof and having satisfied that the Company is in a position to prove and give title to the Property in accordance with sections 13 and 13A of the Conveyancing and Property Ordinance (Cap. 219 of the Laws of Hong Kong) subject to the Tenancies, the Bank Security Documents, any other documents required by the Bank to secure the Bank Loans, and certain agreed encumbrances (if any).

2. Purchaser Shareholders' Approval

The Purchaser having obtained the requisite approval from its shareholders in a general meeting in relation to (i) the purchase of the Shares and (ii) the issue of the Convertible Note and the issue and allotment of the conversion shares in the Purchaser on conversion of the Convertible Note (if required) in the manner required under the Listing Rules.

3. Easyknit Shareholders' Approval

Easyknit having obtained the requisite approval from the shareholders of Easyknit in a general meeting in relation to the sale of the Shares in the manner required under the Listing Rules.

4. The Stock Exchange's Approval

The Stock Exchange having granted a listing of, and permission to deal in, the conversion shares in the Purchaser on the exercise of the conversion rights attached to the Convertible Note.

5. Consent for Security Arrangements Affecting the Company

The consents and approvals (if any) required under security arrangements affecting the Company in respect of the transactions contemplated under this Agreement having been obtained in form and substance satisfactory to the Purchaser.

6. Bank(s)' Commitment to Provide New Financing

A contractual commitment from bank(s) to provide new financing to release the mortgage securing the Bank Loans in favour of the Bank which provides the Bank Loans having been obtained, in form and substance satisfactory to the Purchaser.

SCHEDULE 8

DEFINITIONS AND INTERPRETATION

1. Interpretation

In this Agreement, unless the context requires otherwise, any reference **gender** includes all genders and any reference to the singular includes the plural (and vice versa).

“Audited Accounts”	means in relation to any completed financial years of the Company, the audited (i) statement of financial position and (ii) income statement, each of the Company as at the Financial Year End Date in respect of that financial year, together in each case with all notes, reports and statements required by law or Relevant Accounting Standards to be annexed to them;
“Bank”	means Hang Seng Bank Limited;
“Bank Loans”	means the outstanding amount (including interest accrued) owing to the Bank by the Company and Ace Winner Investment Limited (a fellow subsidiary of the Company), details of which are in Part 3 of Schedule 2;
“Bank Security Documents”	means the security documents as set out in Part 2 of Schedule 2 in favour of the Bank as security for the Bank Loans;
“Business Day”	means a day (not being a Saturday, Sunday or public holiday or any day on which a tropical cyclone signal no. 8 or above or black rainstorm signal is hoisted in Hong Kong) when banks generally are open in Hong Kong for the transaction of general banking business;
“Company”	means Mark Profit Development Limited 卓益發展有限公司, details of which are set out in Schedule 1;
“Completion”	means completion of the sale and purchase of the Shares under this Agreement;
“Completion Date”	has the meaning given in Clause 4.1;
“Conditions”	means the conditions set out in Schedule 7;
“Convertible Note”	means the 5% per annum coupon rate convertible note proposed to be issued by the Purchaser for settling the Purchase Price initially in the principal amount of HK\$268,400,000 conferring rights to convert at any time before the fifth (5th) anniversary of the issue thereof the principal amount into shares in the capital of the Purchaser on the basis of an initial conversion price of HK\$0.169 per conversion share in the Purchaser (subject

to adjustments), in the agreed form as set out in a separate document to be signed by the Seller and the Purchaser, details of which are set out in Appendix 1;

“Disclosures”	has the meaning given in Clause 7.2 and “Disclosed” shall be construed accordingly;
“Due Diligence”	has the meaning given in Clause 7.2;
“Easyknit”	means Easyknit International Holdings Limited, a company incorporated under the laws of Bermuda (company number 19913) whose registered address is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda, and registered in the Hong Kong as a non-Hong Kong company (company number F6937) whose principal place of business in Hong Kong is at 7/F, Hong Kong Spinners Building, Phase 6, No. 481 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong, with its shares listed on the Main Board of the Stock Exchange (stock code 1218);
“Encumbrance”	means any mortgage, charge, pledge, lien, restriction, assignment, hypothecation, security interest, title retention or any other agreement or arrangement the effect of which is the creation of security; or any other interest, equity or other right of any person (including any right to acquire, option, right of first refusal or right of pre-emption); or any agreement or arrangement to create any of the same;
“Financial Year End Date”	means in relation to any financial year of the Company, the last day of that financial year;
“Insurance Policies”	means each current insurance policy in which the Company has an interest;
“Last Accounting Date”	means 31 st March 2025;
“Last Audited Accounts”	means the Audited Accounts of the Company in respect of its financial year ended on the Last Accounting Date;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Long Stop Date”	means 31 st December 2025 (or such other date as the Seller and the Purchaser may agree in writing);
“Management Accounts”	means the unaudited management accounts of the Company for the period from 1 st April 2025 to 31 st August 2025;
“Material Agreement”	means any agreement to which the Company is a party

	with a value of more than HK\$1,000,000;
“Ordinary Outgoings”	means, in connection with the Property, government rent and rates, electricity, gas, water, telephone, internet access, management, and other regular services or utilities supplied to the Company;
“Property”	means the property described in Part 1 of Schedule 2;
“Purchase Price”	has the meaning given in Clause 2.1;
“Purchaser’s Group”	means any of the following: the Purchaser, all persons it controls from time to time and any person that controls the Purchaser and all other persons from time to time controlled by any such person that controls the Purchaser and “member of the Purchaser’s Group” shall be construed accordingly;
“Relevant Accounting Standards”	has the meaning given in paragraph 3.2(a) in Schedule 3;
“Relevant Authority”	means any government, government department or governmental, quasi-governmental, supranational, federal, statutory, regulatory or investigative body, authority (including any national or supranational anti-trust or merger control authority) court, tribunal, stock exchange, trade agency, professional association or institution, environmental body or any other person or body whatsoever in any jurisdiction;
“Relief”	includes any relief, allowance, set-off or deduction or credit or right to repayment of Taxation available to the Company granted or pursuant to any legislation concerning or otherwise relating to Taxation;
“Seller’s Group”	means any of the following from time to time: the Seller, all persons it controls and any person that controls the Seller and all other persons controlled by any such person that controls the Seller and “member of the Seller’s Group” shall be construed accordingly. For the purpose of this Agreement, member of the Seller’s Group shall include Easyknit;
“Service Document”	means a claim form, summons, order, judgment or other process relating to or in connection with any Proceedings;
“Shares”	means all the issued shares in the capital of the Company;
“Shares Consideration”	has the meaning given in Clause 2.1(b);
“Tax” or “Taxation”	means (i) all forms of taxation and statutory, governmental, duties, contributions, deductions,

withholdings and levies whenever imposed, (ii) all penalties, charges and interest relating to any of them within paragraph (i), and (iii) denial, deprivation, loss, reduction or setting off in whole or in part of a Relief;

“Tax Indemnity”

has the meaning given in Clause 6.1;

“Tax Warranty”

means the Warranty referred to in paragraph 10 of Schedule 3;

“Tenancies”

means the tenancy or, if there is more than one, all the tenancies of the Property details of which are in Part 4 of Schedule 2;

“Warranties”

means the statements set out in Schedule 3.

EXECUTED by the parties on the date first written hereinabove.

For and on behalf of
Easyknit Properties Holdings Limited
Seller

by **LUI Yuk Chu**

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Witnessed/Verified by

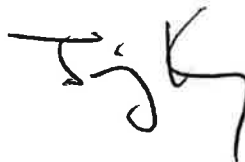


Name: WONG YI MAN KIWI
Title: Legal Officer

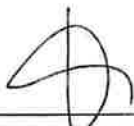
For and on behalf of
Eminence Enterprise Limited
Purchaser

by **KWONG Jimmy Cheung Tim**

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Witnessed/Verified by



Name: WONG YI MAN KIWI
Title: Legal Officer

APPENDIX 1
FORM OF CONVERTIBLE NOTE

(See the next page)

This is the form of Convertible Note referred to in the agreement (the “**Agreement**”) of even date entered into between Easyknit Properties Holdings Limited and Eminence Enterprise Limited and relating to the sale and purchase of the entire issued share capital of **Mark Profit Development Limited** 卓益發展有限公司.

The Convertible Note settles in full the final "Purchase Price" as defined in the Agreement.

Signed by **LOI Yuk Chu**
for and on behalf of
Easyknit Properties Holdings Limited

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Signed by **KWONG Jimmy Cheung Tim**
for and on behalf of
Eminence Enterprise Limited

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10th October, 2025

FORM OF CONVERTIBLE NOTE

EMINENCE ENTERPRISE LIMITED
(Incorporated in Bermuda with limited liability)

Certificate Number
CN 2025-[*]

HK\$[268,400,000] 5% CONVERTIBLE NOTE DUE [2030]

Issued pursuant to the memorandum of association and bye-laws of EMINENCE ENTERPRISE LIMITED (the "Company") and authorized by a resolution of its board of directors of the Company passed on [*] 2025 and pursuant to the authority granted by a resolution of the independent shareholders of the Company passed on [*] 2025.

THIS IS TO CERTIFY that the Company will pay to [*] of [*], being the holder (the "Noteholder") of this Note, on the Maturity Date (as defined in the Conditions) or on such earlier date as such sum may become payable in accordance with the terms and conditions endorsed hereon (the "Conditions") upon presentation of this Note the outstanding principal sum of HK\$[268,400,000] together with such additional amounts (if any) as may be payable under the Conditions. This Note is issued with the benefit of and subject to the terms and conditions endorsed hereon.

Subject to the foregoing, the Company, for value received, promises to redeem this Note in accordance with the Conditions.

The Company shall pay interest on the outstanding principal amount of the Note in accordance with the Conditions.

GIVEN under the common seal of EMINENCE ENTERPRISE LIMITED on [*], 2025, being the date of issue hereof and signed by:

LAI Law Kau
Director

KWONG Jimmy Cheung Tim
Director

Note:-

This Note cannot be transferred to bearer on delivery and is transferable only to the extent permitted by Condition 2 of the terms and conditions thereof. This Note must be delivered to the Company for cancellation and the issue of an appropriate certificate in the event of any such transfer.

(For endorsement in the event of partial conversion or redemption)

<u>Date</u>	<u>Amount Converted</u>	<u>Amount Outstanding after Conversion</u>
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TERMS AND CONDITIONS OF THE CONVERTIBLE NOTE

This Note shall be held subject to and with the benefit of the terms and conditions set out below. In this Note, the words and expressions set out below shall have the meanings attributed to them below unless the context otherwise requires:-

"adjustment"	any adjustment which may be made to the Conversion Price pursuant to Condition 6;
"Agreements Date"	10 th October, 2025;
"approved merchant bank"	the meaning ascribed thereto in Condition 6;
"authorised amount"	the meaning ascribed thereto in Condition 2.2;
"Business Day"	a day (excluding Saturdays, Sundays and public holidays) on which banks in Hong Kong are open for business;
"Conditions"	the terms and conditions attached to or endorsed on this Note and "Condition" refers to the relative numbered paragraph of the Conditions;
"Conversion Date"	the date on which the Conversion Rights are exercised in accordance with the Conditions;
"Conversion Notice"	the meaning ascribed thereto in Condition 7;
"Conversion Price"	means HK\$0.169 per Conversion Share, subject to adjustment;
"Conversion Rights"	the rights attached to this Note to convert the whole of the principal amount or a part thereof into Shares;
"Conversion Shares"	the Shares to be issued by the Company under this Note (whether upon exercise by the Noteholder of the Conversion Rights, or otherwise pursuant to the Conditions);
"Current Market Price"	in respect of a Share at a particular date the average of the closing prices published in the Stock Exchange's Daily Quotations Sheet for one Share (assuming a transaction in a board lot) for the five consecutive trading days ending on and including the trading day last preceding such date; PROVIDED THAT if at any time during the said five trading days the Shares shall have been quoted ex-dividend and during some other part of that period the Shares shall have been quoted cum-dividend then:- (i) if the Shares to be issued do not rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted cum-dividend shall for the purposes of this definition be deemed to be the

amount thereof reduced by an amount equal to the amount of that dividend per Share; and

- (ii) if the Shares to be issued rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the amount thereof increased by such similar amount;

AND PROVIDED FURTHER THAT if the Shares on each of the relevant five trading days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Conversion Shares to be issued do not rank for that dividend, the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the amount of that dividend per Share;

"Event of Default"	the meaning ascribed thereto in Condition 9;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Maturity Date"	the day last preceding the fifth anniversary of the date of issue;
"month"	is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next succeeding calendar month provided that if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last day in that later month;
"Noteholder"	[*], a company incorporated in [*] with limited liability, a [direct/indirect] Shareholder of the Company;
"record date"	the date fixed by the bye-laws of the Company or otherwise specified by the Company for the purpose of determining entitlement to dividends or other distributions to, or rights of, holders of Shares;
"Registration Date"	in respect of this Note when presented for conversion means the date on which the person entitled thereto is first registered as the holder thereof in the Company's register of members in respect of the relevant Conversion Shares;
"Shares"	means shares of HK\$0.01 each in the share capital of the Company of the type existing on the date of this Note and all other (if any) stock or shares from time to time and for the time

being ranking pari passu therewith and all other (if any) shares or stock resulting from any sub-division, consolidation or re-classification thereof;

"Shareholder"	a holder of a Share;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Subsidiary"	a company which is for the time being and from time to time a subsidiary of the Company for the purposes of the Listing Rules;
"trading day"	the meaning ascribed thereto in the Listing Rules;
"HK\$" and "cents"	Hong Kong dollars and cents, respectively;

the expressions "Company" and "Noteholder" shall where the context permits include their respective successors and permitted assigns and any persons deriving title under them; and

the expressions "affiliated company", "holding company", "major subsidiary" and "subsidiary" have the meanings ascribed to them in the Listing Rules.

In these Conditions, unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders; references to this Note or any other document shall be construed as references to such document as the same may be amended or supplemented from time to time. Condition headings are inserted for reference only and shall be ignored in construing this Note.

1. Title

- 1.1 The obligations of the Company arising under this Note constitute general, unconditional, unsecured, unsubordinated obligations of the Company and rank, and will rank equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Company except for obligations accorded preference by mandatory provisions of applicable law. No application shall be made for a listing of this Note.

2. Transfer

- 2.1 This Note or any part(s) thereof may not be transferred (which term includes "assigned") by the Noteholder except with the prior written consent of the Company, provided that no such consent is required in respect of a transfer by the Noteholder to a transferee which is its direct or indirect subsidiary or affiliated company or a holding company for or a subsidiary or affiliated company of a holding company (whether direct or indirect) of the Noteholder. Upon the grant of written consent by the Company (if required) and subject to any conditions, approvals, requirements and any other provisions contained in these Conditions, this Note may be transferred if, and only if, the transfer is in accordance with the provisions of this Condition 2.

- 2.2 Subject to Condition 2.1, any transfer of this Note shall be in respect of the whole or any part (in an amount of HK\$1,000,000 or an integral multiple thereof (an "authorised amount")) of the outstanding principal amount of this Note. The Noteholder shall (except as otherwise required by law) be treated as the absolute owner of this Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the certificate issued in respect of it) and no person shall be liable for so treating the Noteholder.
- 2.3 In relation to any transfer permitted under or otherwise pursuant to this Condition 2:-
- (a) this Note or any part(s) thereof may only be transferred by execution of a form of transfer (the "Transfer Form") in the form set out in Exhibit 2 which shall be in any usual or common form under the hand of the transferor and the transferee (or their duly authorised representatives) or, where either the transferor or transferee is a corporation, under its common seal (if any) and under the hand of one of its officers duly authorised in writing or otherwise executed by a duly authorised officer thereof. In this Condition "transferor" shall, where the context permits or requires, include joint transferors and be construed accordingly;
 - (b) this Note must be delivered to the Company for cancellation accompanied by (i) a duly executed Transfer Form; (ii) in the case of the execution of the Transfer Form on behalf of a corporation by its officers, the authority of that person or those persons to do so; (iii) such other evidence as the Company may reasonably require if the Transfer Form is executed by some other person on behalf of the Noteholder; and (iv) such other evidence (including legal opinions) as the Company may reasonably require to support that the conditions and requirements of this Condition 2 are satisfied. The Company shall, within five (5) Business Days of receipt of such documents from the Noteholder, cancel the existing Note and issue a new Note under the seal of the Company in favour of the transferee and title to this Note shall not pass until that has occurred.
- 2.4 Where only part of the principal amount of this Note (being an authorised amount) is to be transferred, converted or redeemed, a new Note in respect of the principal amount not so transferred, converted or redeemed shall be issued, within five (5) Business Days of deposit or surrender of the original Certificate.
- 2.5 Transfers of this Note (or parts thereof in authorised amounts) shall be effected without charge by or on behalf of the Company, but upon payment (or the giving of such indemnity as the Company may reasonably require) in respect of any taxes, duties or other government charges which may be imposed in relation to it.
- 2.6 The Company shall not be required to effect transfer of this Note (or any part thereof) (i) during the period of five (5) Business Days up to and including the due date for any payment of principal or premium, if any, on this Note; (ii) in respect of which a Conversion Notice has been given.
- 2.7 Any legal and other costs and expenses (other than the registration costs arising from the transfer of this Note) which may be incurred by the Company in connection with any transfer of this Note or any request therefor shall be borne by the Noteholder.

3. Interest

- 3.1 This Note shall bear interest and the length of each interest period in relation to this Note ("Interest Period") shall be of a duration of six (6) months. The first Interest Period shall commence on and include the date of issue of each Note and shall end on the last day of the six-month period from the date of issue of Note and each subsequent Interest Period shall commence on the last day of the immediately after the preceding Interest Period. Any Interest Period which would otherwise extend beyond the Maturity Date shall instead end on the day immediately preceding the Maturity Date.
- 3.2 Interest on this Note shall be calculated at the rate of five per cent. (5%) per annum by reference to the principal amount of the Note from time to time outstanding.
- 3.3 In respect of each Interest Period, interest shall accrue from day to day, shall be calculated on the basis of the actual number of days elapsed in a year of 365 days and shall be due and payable by the Company on the last day of such Interest Period (the "Interest Payment Date").
- 3.4 In the event that any Interest Period would end on a day that is not a Business Day, it shall instead end on the next succeeding Business Day.
- 3.5 Subject to Condition 6, on conversion of this Note, the Company shall, upon delivery to the Noteholder of the certificate for the Conversion Shares to which the Noteholder shall become entitled in consequence of the conversion, pay interest at the rate specified in Condition 3.2 to the Noteholder in respect of the principal amount of this Note being converted calculated from the last day of the immediately preceding Interest Period up to (but excluding) the Conversion Date.

4. Payments

- 4.1 All payments by the Company hereunder shall be made in immediately available funds free and clear of any withholdings or deductions for any present or future taxes, imposts, levies, duties or other charges. In the event that the Company is required by law to make any such deduction or withholding from any amount paid, the Company shall pay to the Noteholder such additional amount as shall be necessary so that the Noteholder continues to receive a net amount equal to the full amount which it would have received if such withholding or deduction had not been made.
- 4.2 All payments by the Company shall be made, not later than 4:00 p.m. (Hong Kong time) on the due date, by remittance to such bank account in Hong Kong as the Noteholder may notify the Company from time to time provided that the Noteholder shall be responsible for any loss of interest payable in respect of the Note due to it giving inaccurate or late remittance instructions or, if at the instruction of the Noteholder, by the delivery to the Noteholder at its address referred to below.
- 4.3 If the due date for payment of any amount in respect of this Note is not a Business Day, the Noteholder shall be entitled to payment on the next following Business Day in the same manner together with interest accrued in respect of any such delay.

- 4.4 If the Company defaults in the payment of any sum due and payable under this Note, the Company shall pay interest on such sum to the Noteholder from the due date to the date of actual payment in full (both before and after judgment) calculated at the rate of five per cent. (5%) per annum provided that the Noteholder shall not be entitled to any such interest in respect of a delay in payment as a result of it giving inaccurate or late remittance instructions. Nothing in this Condition 4.4 shall prejudice any other rights and remedies available to the Noteholder at law, in equity or otherwise.

5. Conversion

- 5.1 Subject to Condition 5.2 and to the limitations in Condition 6.1, the Noteholder shall have the right in the manner provided in Condition 7 to convert the whole or any part (in an authorised amount) of the outstanding principal of this Note at any time from the date of issue thereof at the Conversion Price (subject to adjustments) up to (and excluding) the commencement of the seven (7) calendar day period ending on (and including) the Maturity Date.
- 5.2 No fraction of a Share shall be issued on conversion and no amount in lieu thereof shall be paid to the Noteholder. Shares issued upon conversion shall rank *pari passu* in all respects with all Shares in issue at the Conversion Date and the Noteholder shall be entitled in respect of its Conversion Shares to all dividends and other distributions the record date of which falls on a date on or after the Conversion Date.
- 5.3 If the record date for the payment of any dividend or other distribution in respect of the Shares is on or after the Conversion Date, but before the date on which the relative Conversion Shares are issued pursuant to Condition 5.2, the Company shall pay to the Noteholder or its designee an amount (the "Equivalent Amount") in Hong Kong dollars equal to any such dividend or other distribution to which it would have been entitled had it on that record date been such a Shareholder of record and will make the payment at the same time as it makes payment of the dividend or other distribution, or as soon as practicable thereafter, but, in any event, not later than seven (7) days thereafter. The Equivalent Amount shall be paid by means of a Hong Kong dollar cheque drawn on a bank in Hong Kong (or a branch in Hong Kong of a bank) and sent to the address specified in the relevant Conversion Notice.
- 5.4 Delivery to the Company of a Conversion Notice shall constitute a representation and warranty by the Noteholder that all steps necessary to be taken by it under any relevant laws and the rules of any relevant stock exchange to permit the relevant exercise and lawfully to acquire the relevant Conversion Shares have been taken by it.

6. Adjustments

- 6.1 Subject as hereinafter provided, the Conversion Price shall from time to time be adjusted in accordance with the following relevant provisions and if the event giving rise to any such adjustment shall be such as would be capable of falling within more than one of the following provisions, it shall fall within the first of the applicable provisions to the exclusion of the remaining provisions:-

- (i) Consolidation or Subdivision:

If and whenever there shall be an alteration to the nominal value of the Shares as a result of consolidation or subdivision, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such alteration by the following fraction: -

$$\frac{A}{B}$$

where:

A is the nominal amount of one Share immediately after such alteration;
and

B is the nominal amount of one Share immediately before such alteration.

Such adjustment shall become effective on the date the alteration takes effect.

(ii) Capitalisation of Profits or Reserves:

- (1) If and whenever the Company shall issue any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves, other than Shares issued in lieu of the whole or any part of a cash dividend (the "Relevant Cash Dividend"), being a dividend which the Shareholders concerned would or could otherwise have received in cash ("Scrip Dividend"), the Conversion Price shall be adjusted in the case of an issue of Shares other than by way of Scrip Dividend by multiplying the conversion Price in force immediately before such issue by the following fraction:-

$$\frac{A}{B}$$

where:

A is the aggregate nominal amount of the issued Shares immediately before such issue; and

B is the aggregate nominal amount of the issued Shares immediately after such issue; and

- (2) in the case of an issue of Shares by way of a Scrip Dividend the Current Market Price of which Shares exceeds 105 per cent. of the amount of the Relevant Cash Dividend or the relevant part thereof and which would not have constituted a Capital Distribution, by multiplying the Conversion Price in force immediately before the issue of such Shares by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate nominal amount of the issued Shares immediately before such issue;

B is the aggregate nominal amount of Shares issued by way of such Scrip Dividend multiplied by a fraction of which (i) the numerator is the amount per Share of the whole, or the relevant part, of the Relevant Cash Dividend and (ii) the denominator is the Current Market Price of the number of Shares issued in respect of each existing Share in lieu of the whole, or the relevant part of the Relevant Cash Dividend; and

C is the aggregate nominal amount of Shares issued by way of such Scrip Dividend;

or by making such other adjustment as an approved merchant bank shall certify to the Company is fair and reasonable.

Such adjustment shall become effective on the date of issue of such Shares.

(iii) Capital Distribution:

If and whenever the Company shall pay or make any Capital Distribution to the Shareholders (except where the Conversion Price falls to be adjusted under sub-paragraph (ii) above (or falls within sub-paragraph (ii) above but no adjustment falls to be made), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such Capital Distribution by the following fraction:-

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Share on the trading day last preceding the date on which the Capital Distribution is publicly announced; and

B is the fair market value on the date of such announcement, as determined by an approved merchant bank, of the portion of the Capital Distribution attributable to one Share.

Such adjustment shall become effective on the date that such Capital Distribution is actually made.

(iv) Rights Issues of Shares or Options Over Shares:

If and whenever the Company shall issue Shares to all or substantially all Shareholders as a class by way of rights, or shall issue or grant to all or substantially all Shareholders as a class, by way of rights, any options, warrants or other rights to subscribe for or purchase any Shares, in each case at less than 95 per cent. of the Current Market Price per Share on the trading day last

preceding the date of the announcement of the terms of the issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:-

$$\frac{A + B}{A + C}$$

where:

A is the number of Shares in issue immediately before such announcement;

B is the number of Shares which the aggregate amount (if any) payable for the rights or for the options or warrants or other rights issued by way of rights and for the total number of Shares comprised therein would purchase at such Current Market Price per Share; and

C is the aggregate number of Shares issued or, as the case may be, comprised in the grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be).

(v) Right Issues of Other Securities:

If and whenever the Company shall issue any securities (other than Shares or options, warrants or other rights to subscribe for or purchase Shares) to all or substantially all Shareholders as a class by way of rights or grant to all or substantially all Shareholders as a class by way of rights of any options, warrants or other rights to subscribe for or purchase any securities (other than Shares or options, warrants or other rights to subscribe for or purchase Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:-

$$\frac{A - B}{A}$$

where:

A is the Current Market Price of one Share on the trading day last preceding the date on which such issue or grant is publicly announced; and

B is the fair market value on the date of such announcement as determined in good faith by an approved merchant bank, of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities or grant of such rights, options or warrants (as the case may be).

(vi) Issues at less than Current Market Price:

If and whenever the Company shall issue (otherwise than as mentioned in sub-

paragraph (iv) above) wholly for cash any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or on the issue or grant of (otherwise than as mentioned in sub-paragraph (iv) above) options, warrants or other rights to subscribe for or purchase Shares in each case at a price per Share which is less than 95 per cent. of the Current Market Price on the trading day last preceding the date of announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:-

$$\frac{A + B}{C}$$

where:

A is the number of Shares in issue immediately before the issue of such additional Shares or the issue or grant of such options, warrants or other rights to subscribe for or purchase any Shares;

B is the number of Shares which the aggregate consideration receivable for the issue of such additional Shares would purchase at such Current Market Price per Share; and

C is the number of Shares in issue immediately after the issue of such additional Shares.

References to additional Shares in the above formula shall, in the case of an issue or grant by the Company of options, warrants or other rights to subscribe or purchase Shares, mean such Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price on the date of issue of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such Shares or, as the case may be, the issue or grant of such options, warrants or other rights.

(vii) Other issues at less than Current Market Price:

Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within the provisions of this sub-paragraph (vii), if and whenever the Company or any Subsidiary (otherwise than as mentioned in sub-paragraphs (iv), (v) or (vi) above), or (at the direction or request of or pursuant to any arrangements with the Company or any Subsidiary) any other person shall issue wholly for cash any securities (other than this Note) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares (or grant any such rights in respect of any existing securities so issued) to be issued by the Company upon conversion, exchange or subscription at a consideration per Share which is less than 95 per cent. of the Current Market Price per share on the trading day last preceding the date of announcement of the terms of issue of such securities, the Conversion Price shall be adjusted, by multiplying the Conversion Price in force immediately prior to such issue (or

grant) by the following fraction:-

$$\frac{A + B}{A + C}$$

where:

A is the number of Shares in issue immediately before such issue (or grant);

B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued upon conversion or subscription for or exchange of or upon exercise of the right of subscription attached to such securities would purchase at such Current Market Price per Share; and

C is the maximum number of Shares to be issued upon conversion into or subscription for exchange of such securities or upon the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of Issue (or grant) of such securities.

(viii) Modification of Rights of Conversion etc:

If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in sub-paragraph (vii) above (other than in accordance with the terms applicable to such securities) so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is less than 95 per cent. of the Current Market Price per share on the trading day last preceding the date of announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:-

$$\frac{A + B}{A + C}$$

where:

A is the number of Shares in issue immediately before such modification;

B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued upon conversion or exchange or upon exercise of the right of subscription attached to the securities so modified would purchase at such Current Market Price per Share or, if lower, the existing conversion, exchange or subscription price; and

C is the maximum number of Shares to be issued upon conversion or exchange of such securities or upon the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

(ix) Other offers to Shareholders:

If and whenever the Company or any Subsidiary or (at the direction or request of or pursuant to any arrangements with the Company or any Subsidiary) any other person issues, sells or distributes any securities in connection with an offer by or on behalf of the Company or any Subsidiary or such other person pursuant to which offer the Shareholders generally (meaning for these purposes the holders of at least 60 per cent. of the Shares outstanding at the time such offer is made) are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under sub-paragraphs (iv) to (vii) above), the Conversion Price shall be adjusted by, multiplying the Conversion Price in force immediately prior to such issue by the following fraction:-

$$\frac{A-B}{A}$$

where:-

A is the Current Market Price of one Share on the trading day last preceding the date on which such issue is publicly announced; and

B is the fair market value on the date of such announcement, as determined in good faith by an approved merchant bank, of the portion of the relevant offer attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities.

(x) Other Events:

If the Company considers that it would be appropriate for an adjustment to be made to the Conversion Price as a result of one or more events or circumstances not referred to in this Condition 6.1, the Company shall at its own expense, request an approved merchant bank to determine (acting as experts) as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment should take effect and upon such determination such adjustment (provided that the adjustment would result in a reduction in the Conversion Price) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this Condition 6.1(x) if the approved merchant bank is so requested to make such a determination;

provided that where the circumstances giving rise to any adjustment pursuant to this Condition 6.1 have already resulted or will result in an adjustment to the Conversion Price or where any other circumstances giving rise to any adjustment arise by virtue of any other circumstances which have already given or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 6.1 as

may be advised by the approved merchant bank in question to be in their opinion appropriate to give the intended result.

The number of Conversion Shares issued under this Note shall not exceed [1,588,165,680] (except as a result of a subdivision of Shares). If as a result of any adjustment to the Conversion Price (otherwise than on a subdivision of Shares) the number of Conversion Shares issuable under this Note (inclusive of any Conversion Shares issued or the subject of a Conversion Notice given before such adjustment becomes effective) would exceed [1,588,165,680], the Noteholder shall be entitled to select to convert up to [1,588,165,680] Conversion Shares and any outstanding principal amount under this Note shall be redeemed on the Maturity Date.

In addition, the Noteholder shall not be entitled to exercise Conversion Rights if and to the extent that immediately after such exercise the number of Shares required to be held by the public as required by Rule 8.08 of the Listing Rules would be contravened. The Company shall not be obliged to issue any Conversion Shares if immediately following the conversion there will be a change in control of the Company under the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong. In either case any outstanding principal amount of this Note shall be repaid together with interest accrued and unpaid thereon on the Maturity Date in accordance with Condition 10.

6.2 Calculation of Consideration Receivable

For the purpose of any calculation of the consideration receivable pursuant to subparagraphs (vi), (vii) and (viii) of Condition 6.1, the following provisions shall apply:-

(i) Issue of Shares for Cash:

the aggregate consideration receivable for Shares issued for cash shall be the amount of such cash provided that in no case shall any deduction be made for any commission or any expenses paid or incurred by the Company for any underwriting of the issue or otherwise in connection therewith;

(ii) Issue of Shares on Conversion or Exercise of Securities:

(x) the aggregate consideration receivable for the Shares to be issued upon the conversion into or subscription for or exchange of, any securities shall be deemed to be the consideration received or receivable by the Company for any such securities and (y) the aggregate consideration receivable for the Shares to be issued upon the exercise of rights of subscription attached to any securities shall be deemed to be that part (which may be the whole) of the consideration received or receivable by the Company for such securities which is attributed by the Company to such rights of subscription or, if no part of such consideration is so attributed, the fair market value of such rights of subscription as at the date of announcement of the terms of issue of such securities (as

determined in good faith by an approved merchant bank, plus in the case of each of (x) and (y) above, the additional minimum consideration (if any) to be received by the Company upon the conversion or exchange of such securities, or upon the exercise of such rights of subscription attached thereto (the consideration in all such cases to be determined subject to the proviso in subparagraph (i) of this paragraph (C)) and (z) the consideration per Share receivable by the Company upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such securities shall be the aggregate consideration referred to in (x) or (y) above (as the case may be) converted into Hong Kong dollars if such consideration is expressed in a currency other than Hong Kong dollars at such rate of exchange as may be determined in good faith by an approved merchant bank to be the spot rate ruling at the close of business on the date of announcement of the terms of issue of such securities, divided by the number of Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate.

6.3 More than One Event in Quick Succession:

Where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of an approved merchant bank the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by an approved merchant bank to be in their opinion appropriate in order to give such intended result.

6.4 Certificate Conclusive:

If any doubt shall arise as to the appropriate adjustment to the Conversion Price a certificate of an approved merchant bank who shall act as experts in accordance with Condition 12, shall be conclusive and binding on all concerned save in the case of manifest or proven error. The Company shall at all times after the effective date of the adjustment in the Conversion Price and so long as this Note remains outstanding, a signed copy of the certificate of the approved merchant bank and shall, on request, send a copy thereof to the Noteholder.

6.5 Rounding and Minor Adjustments:

On any adjustment, the resultant Conversion Price, if not an integral multiple of Hong Kong cents, shall be rounded down to the nearest Hong Kong cent. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than 0.1 per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and any amount by which the Conversion Price has not been rounded down shall be carried forward and taken into account in any subsequent adjustment. Notice of any adjustments shall be given to the Noteholder in accordance with Condition 14 as soon as practicable after the determination thereof.

6.6 No Discount to Par Value:

The Conversion Price shall not be reduced so that, on conversion of this Note, Shares would fall to be issued at a discount to their par value.

6.7 Definitions

For the purposes of this Condition 6:-

"announcement" includes the release of an announcement to the press or the delivery or transmission by telephone, email, facsimiles or otherwise of an announcement to the Stock Exchange and "date of announcement" shall mean the date first appearing on such announcement;

"approved merchant bank" means a merchant or investment bank of repute in Hong Kong selected by the Company (with the prior written approval of the Noteholder) for the purpose of providing a specific opinion or calculation or determination hereunder;

"Capital Distribution" (without prejudice to the generality of that phrase) includes distributions in cash or specie. Any dividend charged or provided for in the accounts for any financial period shall (whenever paid and however described) be deemed to be a Capital Distribution provided that any such dividend shall not automatically be so deemed if it is paid out of the aggregate of the net profits (less losses) attributable to the holders of Shares for all financial periods after 31 March 2022 as shown in the audited consolidated profit and loss account of the Company and its subsidiaries for each financial period ended 31 March;

"issue" shall include allot;

"reserves" includes unappropriated profits; and

"rights" includes rights in whatsoever form issued.

7. Procedure for Conversion

- 7.1 The Conversion Rights attaching to this Note may, subject as provided herein, be exercised on any Business Day during the period specified in Condition 5.1 by the Noteholder giving written notice in the form set out in Exhibit 1 (a "Conversion Notice") to the Company in accordance with Condition 14 stating the intention of the Noteholder to convert all or part (being an authorised amount) of this Note into Shares specifying the principal amount of the Note to which such notice relates. Any such Conversion Notice shall be in the form annexed to these Conditions. Once delivered, a Conversion Notice shall be irrevocable and take effect immediately upon the Conversion Date.
- 7.2 The Company shall be responsible for payment of all taxes and stamp duty, issue and registration duties (if any) and Stock Exchange levies and charges (if any) arising on any conversion.
- 7.3 The Shares arising on conversion shall be allotted and issued by the Company, credited as fully paid, to the Noteholder or as it may direct with effect from the Conversion Date and certificates for the Shares to which the Noteholder by ordinary mail, at the risk and expense of, the Noteholder (together with a cheque for the interest accrued on the principal amount of the Note thereby converted but unpaid for the then last Interest Payment Date up to but excluding the date the Conversion Notice is served by the Noteholder as aforesaid).

- 7.4 On any conversion of this Note, the Noteholder shall at the time of conversion deliver to the Company's principal place of business in Hong Kong specified in Condition 14(i) a duly executed Conversion Notice; (ii) in the case of the execution of the Conversion Notice on behalf of a conversion notice on behalf of a corporation by its officers, the authority of that person or those persons to do so; (iii) such other evidence as the Company may reasonably require if the conversion notice is executed by some other person on behalf of the Noteholder; (iv) such other evidence (including legal opinions) as the Company may reasonably require to support that the conditions and requirements of this Condition 6 are satisfied; and (v) this Note and (in the event of a partial conversion) shall join in endorsing this Note with the amount of the sum converted.

8. Information / Protection of the Noteholder

Unless the Noteholder gives its prior written approval otherwise:-

- (a) the Company shall use its reasonable endeavours (i) to maintain a listing for all the issued Shares on the Stock Exchange and (ii) to obtain and maintain a listing on the Stock Exchange for the Conversion Shares;
- (b) the Company shall from time to time keep available for issue, free from pre-emptive rights, out of its authorised but unissued capital sufficient Shares to satisfy in full the Conversion Rights and the terms of any other securities for the time being in issue which are convertible into or have the right to subscribe Shares;
- (c) the Company shall provide the Noteholder with a copy of its annual reports, annual financial statements, interim reports and circulars sent by the Company to its Shareholders within seven (7) Business Days after the day the Company sends the same to its Shareholders;
- (d) the Company shall ensure that all Conversion Shares are duly and validly issued fully paid and registered;
- (e) the Company shall pay all fees, capital and stamp duties payable in Hong Kong, if any, in respect of the issue of Shares upon conversion of all or part of the principal amount of this Note;
- (f) as soon as possible and in any event not later than seven (7) Business Days after the announcement of any event which gives rise to adjustments pursuant to Condition 6 (or, if later, as soon as the relevant adjustment thereunder can reasonably be determined), give notice to the Noteholder advising it of the date on which the relevant adjustment of the Conversion Price is likely to become effective and of the effect of exercising its Conversion Rights pending such date;
- (g) the Company shall comply with and procure the compliance with all conditions imposed by the Stock Exchange or by any other competent authority (in Hong Kong or elsewhere) for approval of the issue of this Note or for the listing of and permission to deal in the Conversion Shares and the continued compliance thereof;
- (h) in the case of any consolidation, amalgamation or merger of the Company with

any other corporation (other than a consolidation, amalgamation or merger in which the Company is a continuing corporation), or in the case of any sale or transfer of all, or substantially all, of the assets of the Company, the Company will forthwith notify the Noteholder of such event in accordance with Condition 14 and (so far as legally possible) cause the corporation resulting from such consolidation, amalgamation or merger or the corporation which shall have acquired such assets, as the case may be, to execute a deed to ensure that the holder of this Note will have the right (during the period in which such Note shall be convertible) to convert this Note into the class and amount of shares and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of such number of Shares which would have become liable to be issued upon conversion of this Note immediately prior to such consolidation, amalgamation, merger, sale or transfer. The above provisions of this Condition 8(h) shall apply in the same way to any subsequent consolidations, amalgamations, mergers, sales or transfers; and

- (i) the Company shall not issue or agree to issue any Shares, warrants or other securities or rights to subscribe for or purchase Shares or otherwise effect any transaction on terms or at a price which by virtue of Condition 6.7 would result in the Conversion Price not being adjusted at all or to the full extent required under Condition 6 (but for the application of Condition 6.7).

9. Events of Default

If any of the events ("Events of Default") specified below occurs, the Company shall within ten (10) days of such event occurring give notice to the Noteholder. Within the period of ten (10) days after and excluding the day on which the Noteholder receives the notice, the Noteholder may give notice to the Company that this Note is immediately due and payable, whereupon it shall become immediately due and payable in the amount which would otherwise be due on the Maturity Date.

The following are the events referred to in the immediately preceding paragraph:

- (a) a default is made for more than seven (7) days in the payment of the principal or default is made for more than fourteen (14) days in the payment of interest in respect of this Note when and as the same ought to be paid in accordance with these Conditions;
- (b) a default is made by the Company in the performance or observance of any covenant, condition or provision of this Note and on its part to be performed or observed (other than the covenant to pay the principal and interest in respect of this Note) and such default continues for the period of thirty (30) days next following the service by the Noteholder of notice requiring such default to be remedied;
- (c) a resolution is passed or an order of a court of competent jurisdiction is made that the Company be wound up or dissolved otherwise than for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger or reconstruction the terms of which shall have previously been approved in writing by the Noteholder;

- (d) an encumbrancer takes possession or a receiver is appointed over the whole or a material part of the assets or undertaking of the Company or any Subsidiary which is a major subsidiary;
- (e) a distress, execution or seizure order before judgement is levied or enforced upon or sued out against the whole or a part of the property of the Company or any Subsidiary (as the case may be) which is of a value material to the Group as a whole and is not discharged within forty (40) days thereof except where such distress, execution or seizure order is levied or enforced out of claims or proceedings against the Company or any Subsidiary which have been publicly disclosed prior to the Agreements Date;
- (f) the Company or any Subsidiary is unable to pay its debts which are material to the Group as a whole as and when they fall due and (in respect of a Subsidiary only) which inability to pay debts is material in the context of the Group as a whole or the Company or any Subsidiary shall initiate or consent to proceedings relating to itself under any applicable bankruptcy, reorganisation or insolvency law or make an assignment for the benefit of, or enter into any composition with, its creditors;
- (g) proceedings (excluding a deregistration and voluntary winding up by the relevant company which is not material to the Group as a whole) shall have been initiated against the Company or any Subsidiary which is a major subsidiary under any applicable bankruptcy, reorganisation or insolvency law and such proceedings shall not have been discharged or stayed within a period of forty (40) days except where such proceedings arise out of claims or proceedings against the Company or any Subsidiary which have been publicly disclosed prior to the Agreements Date;
- (h) any financial indebtedness of the Company or any Subsidiary is declared to be or otherwise becomes due and payable prior to its specified maturity or any creditor of the Company or any Subsidiary becomes entitled to declare any indebtedness of the Company or any Subsidiary due and payable prior to its specified maturity or becomes entitled to enforce or realise any security in respect of any such financial indebtedness (and the creditor not having waived the right or accepted remedy of the circumstances which gave rise to its entitlement), and for the purpose of this Condition 9(h) "financial indebtedness" means moneys borrowed; any amount raised by acceptance under any acceptance credit facility; the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with general accepted accounting principles, be treated as a finance or capital lease; receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked-to-market value shall be taken into account); any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and the amount of any liability in respect of any guarantee or indemnity for any of the items referred

to above; or

- (i) the Shares (as a class) cease to be listed on any stock exchange; or
- (ii) any event occurs which has an analogous effect to any of the events referred to in paragraphs (a) to (g) above.

10. Repayment

- 10.1 (a) Subject as provided in Condition 10, the outstanding principal amount unpaid of this Note together with interest accrued thereon (at the rate referred to in Condition 3.2) from the Interest Payment Date last preceding the Maturity Date up to and excluding the date of repayment shall, unless previously redeemed, or converted into Shares in accordance with these Conditions, be redeemed in full by the Company subject to and in accordance with the terms of the Note on the Maturity Date upon the presentation of the original of the certificate for this Note to the Company at its address specified in Condition 14.
 - (b) The Company may by written notice serve on the Noteholder redeem this Note in amounts of HK\$1,000,000 or integral multiples thereof on any Business Day prior to the Maturity Date at 100% of the principal amount outstanding under this Note together with all interest incurred under this Note up to and including the date of redemption.
- 10.2 The Noteholder may by written notice serve on the Company require the Company to redeem this Note in amounts of HK\$1,000,000 or integral multiples thereof (or, if the principal amount is less than HK\$1,000,000, the entire principal amount) on any Business Day prior to the Maturity Date at 100% of the principal amount outstanding under this Note together with all interest incurred under this Note up to and including the date of redemption. In the event that the Noteholder requires such redemption, subject to the approval of the Company, the Company shall, unless and to the extent this Note has not been previously converted, redeemed, purchased or cancelled in accordance with these Conditions, within three (3) Business Days upon the presentation of the original of the certificate for this Note to the Company at its address specified in Condition 14 and receipt of the written notice, redeem this Note at its principal amount then outstanding together with all accrued and unpaid interest.
- 10.3 The amount to be paid by the Company upon the redemption of this Note on the Maturity Date shall be 100% of the outstanding principal amount of this Note together with interest accrued in respect of the outstanding principal amount of this Note at the rate referred to in Condition 3.2 and unpaid thereon. Any amount under this Note which remains outstanding on the Maturity Date shall be redeemed in full, whereas any amount under this Note which is redeemed shall be cancelled forthwith. This Note may not be repaid or redeemed otherwise than in accordance with these Conditions.

11. Voting

The Noteholder shall not be entitled to receive notice of, attend, or vote at any meetings of the Company by reason only of being the Noteholder.

12. Experts

In giving any certificate or making any adjustment hereunder, any approved merchant bank for the purpose of providing a specific opinion or calculation or determination hereunder shall be deemed to be acting as experts and not as arbitrators and, in the absence of manifest error, their decision shall be conclusive and binding on the Company and the Noteholder and all persons claiming through or under them respectively.

13. Replacement Note

13.1 If the certificate for this Note is lost or mutilated, the Noteholder shall notify the Company as soon as practicable and a replacement certificate shall be issued if the Noteholder provides the Company with a declaration by the Noteholder or its officer that the certificate for this Note had been lost or mutilated (as the case may be) or other evidence satisfactory to the Company that the certificate for this Note had been lost or mutilated, together with the mutilated the certificate for this Note (if applicable).

13.2 The certificate for this Note replaced in accordance with this Condition shall forthwith be cancelled.

14. Notices

Any notice required to be given under these Conditions shall be deemed duly served if left at or sent by registered or recorded delivery post or facsimile to the addresses and fax numbers below:

(i) in the case of the Noteholder:

Address: Block A, 7th Floor,
Hong Kong Spinners Building, Phase 6,
481-483 Castle Peak Road, Cheung Sha Wan,
Kowloon, Hong Kong

Fax number: (852) 2171 1503

(ii) in the case of the Company:

Address: Block A, 7th Floor,
Hong Kong Spinners Building, Phase 6,
481-483 Castle Peak Road, Cheung Sha Wan,
Kowloon, Hong Kong

Fax number: (852) 2171 1503

Or such other address or facsimile number as may have been last notified in writing by or on behalf of the Company to the Noteholder or by the Noteholder to the Company as the case may be. Any such notice shall be deemed to be served at the time when the

same is left at the address of the party to be served or, if served by post, on the seventh (7th) Business Day following the day of posting or, if served by facsimile, upon transmission and report confirming successful transmission.

15. Amendment

The terms and conditions of this Note may be varied, expanded or amended by agreement in writing between the Company and the Noteholder.

16. Governing Law and Jurisdiction

This Note is governed by and shall be construed in accordance with Hong Kong law and the Company and the Noteholder agree to submit to the non-exclusive jurisdiction of the courts of Hong Kong in connection herewith.

To be attached to Note Conditions

EXHIBIT 1

CONVERSION NOTICE

HK\$[268,400,000] 5% CONVERTIBLE NOTE DUE [2030]

(the "Note")

To: Eminence Enterprise Limited

Terms defined in the certificate for the Note (as may be amended) shall bear the same meanings in this Conversion Notice.

The undersigned hereby irrevocably elects to convert all/part of the enclosed Note into shares of HK\$0.01 each or of such par value resulting from any sub-division, consolidation or re-classification, of EMINENCE ENTERPRISE LIMITED (the "Company") in accordance with the Conditions of the Note and the terms below.

Amount to be converted: _____
(the Note must be attached to this notice)

Conversion Date: _____
(i.e. The date of giving notice unless otherwise agreed)

Principal Amount of
Note to be Converted: _____

Conversion Price: _____

Name in which Conversion Shares to be issued: _____

Address of Shareholder: _____

Signature of Noteholder: _____

Name of Noteholder: _____

Date: _____

EXHIBIT 2
FORM OF TRANSFER

To: EMINENCE ENTERPRISE LIMITED (the "**Company**")

We are the holder of the Convertible Note due [2030] in the outstanding principal amount of HK\$[268,400,000] as evidenced by the Certificate issued by the Company on [*] (the "**Note**").

References in this Transfer Form to "**Conditions**" are to the terms and conditions on which the Note was issued, as the same may have been amended from time to time pursuant to the terms thereof. Terms defined in the Conditions will have the same meaning herein, save where the context otherwise requires.

1. We hereby transfer all/part of the Note to:

of/whose registered office address is at*

_____ (the "**Transferee**")

2. Total outstanding principal amount of the transferred Note:

Total principal amount to be transferred

3. + Total principal amount of Note to be retained:

Total principal amount to be retained

4. We hereby request that a Certificate in respect of the transferred Note (as referred to in paragraph 2 above) be issued to the person(s) whose name(s) and address(es) are set out in paragraph 1 above and that such Certificate, at the risk of such person(s):

* (a) be despatched by registered mail to the person whose name and address are given below and in the manner specified below:

Name : _____

Address : _____

* (b) if no name and address are given in (a) above, be made available for collection at the office of the Company referred to for that purpose in the Conditions.

5. The Certificate in respect of the transferred Note (as referred to in paragraph 2 above) is enclosed with this Transfer Form.

6. * We hereby request that a Certificate in respect of the Note to be retained by us as set out in paragraph 3 above be issued to the person(s) whose name(s) and address(es) is/are set out below:

Name : _____

Address : _____

and that such Certificate:

* (a) be despatched by registered mail to the person whose name and address are given below and in the manner specified below at the risk of such person(s):

Name : _____

Address : _____

* (b) if no name and address are given above, then such certificate will be made available for collection at the office of the Company specified or referred to for that purpose in the Conditions.

7. The account of the Transferee (being a HK\$ account) for the purposes of receipt of principal on and any other amounts in respect of the Note is (unless otherwise instructed by the Transferee) as follows:

Name of Account : _____

Account No : _____

Swift Code : _____

Name of Bank : _____

Address of Bank : _____

- * *delete as appropriate*
+ *complete if only transferring part of the Note of which the transferring Noteholder is the holder, otherwise delete.*

Name of Transferor : *To insert name(s) of [*] and/or its nominee(s)*

Signature of Transferor : _____

Date : _____

Name of Transferee : _____

Signature of Transferee : _____

Date : _____