



Execution Version

Subscription Agreement

relating to

**Zhuguang Holdings Group Company
Limited**

(珠光控股集團有限公司)

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Zhuguang Holdings Group Company
Limited (珠光控股集團有限公司)

Rong De Investments Limited (融德投資有
限公司)

—

Subscription Agreement

relating to Zhuguang Holdings Group Company Limited (珠光控股集團有限公司)

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Details

Date 17 June 2024

Parties

Name **Zhuguang Holdings Group Company Limited (珠光控股集團有限公司)**
Short form name **Company**
Details a company incorporated under the Laws of Bermuda with limited liability, with registration number EC22255 and registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business at Room 5702-5703, 57/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong, and whose ordinary shares are listed on the Stock Exchange with stock code 1176

Name **Rong De Investments Limited (融德投資有限公司)**
Short form name **Subscriber**
Details a company incorporated under the Laws of the British Virgin Islands with limited liability, with registration number 1500769 and registered office at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands

Background

- A As at the date of this Agreement:
- (i) the Company has an authorised share capital of HKD1,000,000,000 divided into 10,000,000,000 Shares (as defined in [Clause 1.1 \(Defined Terms\)](#)) of HKD0.10 each, of which 7,225,632,753 Shares are in issue; and
 - (ii) the Subscriber is the beneficial owner of 3,960,649,289 Shares, representing 54.81% of the issued share capital of the Company.
- B On 28 October 2021, the Subscriber (as lender) entered into a loan agreement with the Company (as borrower), pursuant to which the Subscriber has agreed to provide an interest bearing term loan to the Company in the aggregate principal amount of HKD325,000,000 (the **Loan**, and the said aggregate principal amount owed by the Company to the Subscriber and the loan agreement are referred to as the **Loan Principal** and **Loan Agreement**, respectively). As at the date of this Agreement, the Loan Principal and all interests accrued thereon remain outstanding.
- C The Subscriber intends to subscribe for, 1,625,000,000 new Shares (the **Subscription Shares**), the subscription proceeds of which shall be satisfied by way of capitalisation of the Loan Principal (the **Capitalisation**). The Subscription Shares, when issued, will represent approximately (i) 22.49% of all the issued Shares as at the date of this Agreement and (ii) 18.36% of all the issued Shares as enlarged by the issue of the Subscription Shares, assuming that there will be no change in the authorised share capital and issued capital of the Company between the date of this Agreement and up until the Completion.
- D It is the Parties' intention that, with effect from Completion, the Loan shall be deemed to have been fully repaid and the obligations of the Company to repay the Loan shall be wholly satisfied and extinguished and discharged in full.

Agreed terms

1. Defined Terms and Interpretation

1.1 Defined Terms

In this Agreement:

Affiliate means:

- (a) with respect to a Party that is a corporate entity, any person which directly or indirectly Controls, is Controlled by or is under common Control with such Party; and
- (b) with respect to any natural person, any of his/her Associates.

Agreement means this agreement, including its Schedules (as amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement).

Approval means any approval, clearance, license, authorisation, release, order, grant, permission, confirmation or consent required to be obtained from, or any registration, qualification, permit, designation, declaration, filing, notice, statement or other communication required to be filed with or delivered to, any Authority or any other Person, or any waiver of any of the foregoing.

Associate means in relation to a natural person, his/her spouse and children, and any of his/her parents and grandparents, his/her brothers and sisters, and the spouses and children of his/her brothers and sisters (collectively **relatives**) and any company or trust which is directly or indirectly Controlled by such person and/or any of his/her relatives and for the purpose of this definition, a trust is Controlled by one or more persons if his/her or their wishes shall generally be adhered to by the relevant trustees and **children** (when used above) shall include the spouses and children of such children.

Authority means any nation or government or any federation, province, state or any other political subdivision thereof; any entity, authority or body exercising legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission, instrumentality, securities or stock exchange, supervisory or regulatory body of any country, or any political subdivision thereof; any court, tribunal or arbitrator, and any self-regulatory organisation, in each case having relevant and competent jurisdiction.

Board means the board of directors of the Company from time to time.

Business Day means a day on which licensed banks in Hong Kong are open for general business (other than a Saturday, Sunday or public holiday, or a day on which licensed banks are not open for business, including owing to a tropical cyclone warning signal number 8 or above or a "black" rainstorm warning signal being in force in Hong Kong).

Capitalisation has the meaning ascribed to it in Paragraph C of the Background section of this Agreement.

Claim means a claim, notice, demand, action, proceeding, litigation, investigation, judgment, damage, loss, cost, expense or liability, however arising, whether present, unascertained, immediate, future or contingent, whether based in contract, tort or statute, and whether involving a third party or a Party to this Agreement.

Company Warranties means each of the representations and warranties given by the Company under Clause 5 (*Company Warranties*) and set out in Schedule 1 (*Company Warranties*).

Completion means completion of the transactions contemplated under this Agreement in accordance with Clause 4 (*Completion*).

Completion Date means the date on which Completion occurs, being any day falling within ten (10) Business Days from the date on which the Conditions are fulfilled (or waived, as the case may be), as may be specified by the Parties, and in the absence of such specification, the tenth (10th) Business Day after the fulfillment (or waiver, as the case may be) of the Conditions, or such other date as may be agreed between the Parties in writing.

Condition means each condition precedent specified in Clause 3.1 (*Conditions*).

Control means, with respect to a Person (the **first Person**), the first Person shall be treated as being controlled by another Person (the **second Person**) if the second Person:

- (a) beneficially owns (directly or indirectly) more than 50% of the equity interest of the first Person;
- (b) is able to direct the vote of more than 50% of the total voting rights of all the members and shareholders of the first Person;
- (c) is able to control the composition of a majority of the board of directors or similar governing body of the first Person; or
- (d) is able to otherwise direct the business, management and/or financial decisions of the first Person,

and **Controls**, **Controlled**, and **Controlling** shall be construed accordingly.

Defaulting Party has the meaning ascribed to it in Clause 6(a)(ii) (*Termination*).

Dispute has the meaning ascribed to it in Clause 10.2 (*Dispute Resolution*).

Encumbrance means any mortgage, charge (fixed or floating), pledge, lien, hypothecation, trust, right of set off or other third party right or interest (legal or equitable) including any right of pre-emption, assignment by way of security, reservation of title or any other security interest of any kind however created or arising or any other agreement or arrangement (including a sale and repurchase arrangement) having similar effect.

Group means the Company and each of its Subsidiaries.

Group Company means any member of the Group.

HKD means Hong Kong dollars, the lawful currency of Hong Kong.

HKIAC has the meaning ascribed to it in Clause 10.2 (*Dispute Resolution*).

Hong Kong means the Hong Kong Special Administrative Region of the PRC.

Law or **Laws** means any constitutional provision, ordinance, statute or other law, rule, regulation, treaty, directive, order, decree, code, guidance, decision, published official policy or published official interpretation of any Authority and any injunction, judgment, order, ruling, assessment or writ issued by any Authority (including but not limited to the Listing Rules).

Listing Approval has the meaning ascribed to it in Clause 3.1(b) (*Listing Approval*).

Listing Rules means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Loan has the meaning ascribed to it in Paragraph B of the Background section of this Agreement.

Loan Agreement has the meaning ascribed to it in Paragraph B of the Background section of this Agreement.

Loan Principal has the meaning ascribed to it in Paragraph B of the Background section of this Agreement.

Long Stop Date means 31 October 2024 or such other date as the Parties may agree in writing.

Material Adverse Change means any change which has a Material Adverse Effect.

Material Adverse Effect means a material adverse effect on:

- (a) the business, operations, assets, liabilities, condition (financial or otherwise) or prospects of any Group Company or the Group taken as a whole;
- (b) the ability of the Company to perform its obligations under this Agreement;
- (c) the validity or enforceability of this Agreement; or
- (d) the rights or remedies of the Subscriber under this Agreement.

Noteholders means the holders of the senior secured guaranteed notes issued by the Company on 22 September 2022 in the aggregate principal amount of USD210,000,000.

Noteholders' Approval means the approval granted by the Noteholders for the allotment and issue of the Subscription Shares.

Notice has the meaning ascribed to it in Clause 8.1 (*Service of Notices*).

Order means any applicable order, ruling, decision, verdict, decree, writ, subpoena, mandate, precept, command, directive, consent, approval, award, judgment, injunction or other similar determination or finding by, before or under the supervision of any Authority.

Party means each party to this Agreement and **Parties** shall be construed accordingly.

Person means any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity.

PRC means the People's Republic of China, and for the purpose of the Transaction Documents, excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan.

Representatives means, in relation to a Person, its Affiliates and the directors, officers, employees, agents, advisers, accountants and consultants of that Person and/or of any of its Affiliates.

Set-Off has the meaning ascribed to it in Clause 4.4(a) (*Capitalisation and Set-Off*).

SGM means the special general meeting of the Company to be convened for the purposes of, among other things, approving (i) the Specific Mandate and (ii) this Agreement and the transactions contemplated hereunder.

Shareholders means the holders of Shares from time to time.

Shares means the ordinary shares in the share capital of the Company with a par value of HKD0.10 each, and if there is a sub-division, consolidation or reclassification of those shares, the shares resulting from it.

Specific Mandate means the authority to issue the Subscription Shares pursuant to specific resolution(s) of the Shareholders (other than the Subscriber and its associate(s) (as defined in the Listing Rules)) to be proposed at the SGM.

Stock Exchange means The Stock Exchange of Hong Kong Limited.

Subscription Price means the subscription price of HKD0.20 per Subscription Share for a total consideration of HKD325,000,000.

Subscription Shares has the meaning ascribed to it in Paragraph C of the Background section of this Agreement.

Subsidiary means, with respect to any company or corporation, a company or corporation:

- (a) which is Controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued equity interest of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or

(c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation.

Surviving Provisions means Clause 1 (*Defined Terms and Interpretation*), 3.4 (*Failure of Condition*), 6 (*Termination*), 7 (*Confidentiality and Publicity*), 8 (*Notices*), 9 (*Miscellaneous*), 10 (*Governing Law and Dispute Resolution*) and 11 (*Process Agent*).

USD means United States dollars, the lawful currency of the United States of America.

1.2 Headings

The headings are for ease of reference only and do not affect the interpretation of this Agreement.

1.3 Effect as a deed

The Parties intend that this Agreement shall take effect as a deed, notwithstanding that a Party may only execute it under hand.

1.4 Other interpretation

In this Agreement, unless otherwise specified:

- (a) references to "**Background**", "**Clauses**", "**Paragraphs**" and "**Schedules**" are to the background of, clauses of, paragraphs of and schedules to this Agreement; and the Background and Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement; and any reference to this Agreement shall include the Background and Schedules;
- (b) references to the singular shall include the plural (and vice versa) and references to the masculine shall include the feminine or neuter and vice versa;
- (c) another grammatical form of a defined word or expression has a corresponding meaning;
- (d) the terms "**include**" and "**including**" shall be construed to mean "including without limitation";
- (e) the term "**or**" is not exclusive;
- (f) the terms "**shall**", "**will**" and "**agrees**" are mandatory, and the term "**may**" is permissive;
- (g) references to any document shall be construed as a reference to such document as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time;
- (h) references to a "**Party**" includes such Party's executors, administrators, successors and permitted assigns and substitutes;
- (i) references to any statute, ordinance or other Law shall include regulations and other instruments under it and any amendment, re-enactment or replacement of any of them from time to time;
- (j) references to dates and times are references to Hong Kong dates and times;
- (k) the term "**day**" means calendar day; and
- (l) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day.

1.5 Rights of Third Parties

- (a) Save as expressly provided in this Agreement, a Person who is not a Party shall not have any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any term of this Agreement.
- (b) The rights of the Parties to terminate, rescind or agree to any variation, waiver or settlement under this Agreement are not subject to the consent of any Person who is not a Party.

2. Issue and Subscription of the Subscription Shares

- 2.1 Subject to the terms and conditions of this Agreement, the Company shall allot and issue to the Subscriber, and the Subscriber shall subscribe for, the Subscription Shares:
- (a) for the Subscription Price (which shall be settled by way of Capitalisation at Completion in accordance with Clause 4.4 (*Capitalisation and Set-Off*));
 - (b) free from Encumbrance; and
 - (c) with all rights, including dividends, distributions or any return of capital declared and voting rights, attached or accrued to them at or after Completion.

3. Conditions

3.1 Conditions

Completion is subject to the following Conditions being fulfilled (or waived in accordance with Clause 3.2 (*Waiver of Conditions*), as the case may be):

- (a) **Shareholders' Approval.** The passing by the independent Shareholders of relevant resolutions at the SGM in compliance with requirements of the Listing Rules, approving, among other things, (i) this Agreement and the transactions contemplated hereunder; and (ii) the grant of the Specific Mandate for the allotment and issue of the Subscription Shares in accordance with the terms of this Agreement;
- (b) **Listing Approval.** The Listing Committee of the Stock Exchange having granted the approval for listing of and the permission to deal in the Subscription Shares (the **Listing Approval**), and such approval and granting of permission not having been withdrawn or revoked;
- (c) **Approvals.** Save for the approvals referred to in Clauses 3.1(a) (*Shareholders' Approval*) and 3.1(b) (*Listing Approval*), all Approvals which are necessary and required under all applicable Laws and all other agreements, instruments or other documents to which the Company is a party, including the Noteholders' Approval, having been obtained by the Company and remaining in full force and effect; and
- (d) **Company Warranties.** Each of the Company Warranties remaining true and accurate and not misleading, in each case as at the Completion Date with the same force and effect as if repeated throughout the period between the date of this Agreement and up to and including the Completion Date.

3.2 Waiver of Conditions

Other than Clauses 3.1(a) (*Shareholders' Approval*), 3.1(b) (*Listing Approval*) and 3.1(c) (*Approval*), which cannot be waived, the Subscriber may waive the condition in Clause 3.1(d) (*Company Warranties*) at any time by notice to the other Party at any time prior to the Long Stop Date.

3.3 Conduct of the Parties

- (a) The Company shall use all reasonable efforts within its capacity to procure the fulfillment (or waiver in accordance with Clause 3.2 (*Waiver of Conditions*), as the case may be) of the Conditions as soon as reasonably practicable after the signing of this Agreement and in any event on or before the Long Stop Date (other than such Conditions which by their nature are not capable of being fulfilled or are not appropriate to be fulfilled until the Completion Date).
- (b) The Company agrees that, upon being requested by the Subscriber, it shall promptly cooperate with and provide all necessary information and other assistance reasonably required by the Subscriber in connection with the fulfillment of the Conditions.

3.4 Failure of Condition

If the Conditions have not been fulfilled (or waived in accordance with Clause 3.2 (Waiver of Conditions)), as the case may be) on or before the Long Stop Date, this Agreement shall automatically terminate (other than in respect of the Surviving Provisions). In such event, neither Party shall have any Claim under this Agreement of any nature whatsoever against the other Party other than in respect of antecedent breaches of this Agreement.

4. Completion

4.1 Date, Time and Place

If all Conditions have been fulfilled or waived (in accordance with Clause 3.2 (Waiver of Conditions)), Completion shall take place on the Completion Date at such time and place as agreed by the Parties.

4.2 Obligations of the Company

At Completion, the Company shall:

- (a) allot and issue the Subscription Shares in favour of the Subscriber (or as it may direct) as fully paid and free from any Encumbrances and shall promptly attend to the registration of such issue without registration fee for the account of the Subscriber and/or its nominees; and
- (b) at the option of the Subscriber, either: (i) deliver to the Subscriber (or as it may direct) the definitive certificate(s) in respect of the Subscription Shares in favour of the Subscriber and/or its nominees; or (ii) deposit the certificate(s) into the account of the relevant Hong Kong Securities Clearing Company Limited participant with whom the Subscriber has account(s) in accordance with the Subscriber's instructions;

4.3 Obligations of the Subscriber

At Completion, the Subscriber shall:

- (a) settle the Subscription Price by way of Capitalisation in accordance with Clause 4.4 (Capitalisation and Set-Off);
- (b) deliver or cause to be delivered to the Company an application for Shares with respect to the Subscription Shares.

4.4 Capitalisation and Set-off

- (a) Each Party hereby agrees to, at Completion, set-off (on the one hand) the Subscription Price payable by the Subscriber to the Company against (on the other hand) the Loan Principal, and accordingly, each Party acknowledges and agrees that, at Completion, the obligations of the Subscriber to settle the Subscription Price in favour of the Company at Completion under this Agreement and the obligations of the Company to repay the Loan Principal shall be wholly satisfied and extinguished and discharged in full (the **Set-Off**). Subject to the Set-Off becoming effective, all and any outstanding balance of the Loan or other moneys due or payable by the Company to the Subscriber under the Loan Agreement are hereby waived and discharged in full.
- (b) Upon the Set-Off becoming effective at Completion:
 - (i) notwithstanding any provision under the Loan Agreement, all payment (or repayment) and other obligations of the Company under the Loan Agreement shall be extinguished and discharged in full, and all and any outstanding balance of the Loan or other moneys due or payable by the Company to the Subscriber under the Loan Agreement shall be waived and discharged in full; and
 - (ii) the Subscriber's payment obligations to the Company for the subscription of the Subscription Shares shall be satisfied and discharged in full.

4.5 Simultaneous Actions

In respect of Completion, the Parties agree that:

- (a) the obligations of each Party under this Agreement are interdependent so that Completion does not occur unless and until each obligation is effected or completed; and
- (b) all actions required to be performed shall be taken to have occurred simultaneously on the Completion Date.

4.6 Non-fulfilment of Completion Obligations

If at Completion, a Party shall be in breach of its obligations under this Clause 4 (Completion), the non-defaulting Party shall be entitled (in addition to and without prejudice to all other rights and remedies available to it) to:

- (a) proceed with Completion so far as is practicable;
- (b) elect to terminate this Agreement, in which case Clause 6 (Termination) shall apply; or
- (c) fix a new date for Completion (not being a date more than five (5) Business Days after the relevant date of Completion), in which case this Clause 4.6 (Non-fulfilment of Completion Obligations) shall also apply to any such new date fixed for Completion.

5. Company Warranties

- 5.1 The Company represents and warrants to the Subscriber that each of the Company Warranties set out in Schedule 1 (Company Warranties) is true, accurate, complete and not misleading as at the date of this Agreement and (other than any Company Warranty expressed to be given on a specific date) each of the Company Warranties will be true, accurate, complete and not misleading on the Completion Date, provided that all such Company Warranties are deemed to be made subject to all information disclosed in the announcements, circulars, interim or annual reports and other corporate communication issued by the Company before the date of this Agreement.
- 5.2 Each of the Company Warranties shall be separate and independent and (unless otherwise expressly provided) shall not be limited or restricted by reference to or inference from the terms of any other Company Warranty or any other terms of this Agreement.
- 5.3 The Company agrees and acknowledges that the Subscriber has entered into this Agreement in reliance on the Company Warranties and the Subscriber has been so induced to enter into this Agreement relying on each of the Company Warranties.

6. Termination

- (a) Without prejudice to Clause 3.4 (Failure of Condition), this Agreement may be terminated by a Party by written notice to the other Party:
 - (i) in the event set out in Clause 4.6 (Non-fulfilment of Completion Obligations);
 - (ii) if the Company has committed a material breach of any of its representations, warranties, covenants or agreements contained in this Agreement (the **Defaulting Party**), which breach cannot be or is not cured by the Completion Date, at the election of the Subscriber; or
 - (iii) at any time on or prior to the Completion Date by mutual consent of the Parties.
- (b) If notice is given pursuant to Clause 6(a) (Termination), then this Agreement shall terminate and shall become null and void and have no further force or effect (other than the Surviving Provisions). In such event, neither Party shall have any Claim of any nature against the other Party under or in connection with this Agreement, other than in respect of antecedent breaches of this Agreement.

7. Confidentiality and Publicity

7.1 Confidentiality Obligations

Subject to Clause 7.2 (Exceptions), each Party must keep confidential the discussions and negotiations of the Parties and the existence, subject matter and terms of this Agreement and any information or documents disclosed by a Party in relation to such Party, and shall not, unless with the prior written approval of each other Party, make any disclosure, announcement, press release or other communication of any kind relating to the discussions and negotiations of the Parties or the subject matter or terms of this Agreement or any information or documents disclosed by a Party in relation to such Party.

7.2 Exceptions

The obligations of confidentiality in Clause 7.1 (Confidentiality Obligations) do not extend to information that (whether before or after this Agreement is executed):

- (a) is disclosed to a Noteholder or any officer, employee, consultant, legal advisor or financial advisor of a Noteholder (or its Affiliates) for the purpose of obtaining the Noteholders' Approval;
- (b) is disclosed to any officer, employee, consultant, auditor, legal advisor, financial advisor or creditor of a Party (or its Affiliates) who needs to know (and only to the extent that each has a need to know) and who has undertaken to the Party to keep the information confidential;
- (c) has become generally available to the public (other than as a result of a breach of any confidential obligations by a Party or its Affiliates or a person to whom information has been disclosed pursuant to Clause 7.2(a)); or
- (d) is required to be disclosed by applicable Laws or regulations (including the Listing Rules) or any order or direction of any Authority or in connection with the enforcement of this Agreement.

7.3 Survival

The rights and obligations of the Parties set out in this Clause 7 (Confidentiality and Publicity) survive termination of this Agreement.

8. Notices

8.1 Service of Notices

A notice, demand, consent, approval or communication under this Agreement (**Notice**) must be given in writing to the Party due to receive such Notice by delivery to its postal address or by email to its email address, and marked for the attention of the person specified herein:

The Company

Name : Zhuguang Holdings Group Company Limited (珠光控股集團有限公司)
Address : Room 5702-5703, 57/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong
Email address : sanvicchoi@zhuguang.com.hk
Attention : Mr. Sanvic Choi

The Subscriber

Name : Rong De Investments Limited (融德投資有限公司)
Address : Room 5702-5703, 57/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong
Email address : 1176@zhuguang.com.hk
Attention : Mr. Liao Tengjia

8.2 Method of Service

A Notice may only be served on a Party:

- (a) by sending it through pre-paid registered post (or by registered airmail in the case of international service) to such Party's postal address;
- (b) by delivering it by hand to such Party's postal address; or
- (c) by email to such Party's email address.

8.3 Effective on Receipt

A Notice given in accordance with this Agreement takes effect when received (or at a later time specified in it), and is deemed to be received:

- (a) if sent by pre-paid registered post, on the second (2nd) Business Day after the date of posting (or if sent by registered airmail, on the fifth (5th) Business Day after the date of posting);
- (b) if delivered by hand, at the time of delivery; or
- (c) if sent by email, when sent by the sender unless the sender receives a delivery failure notification within five (5) hours after the email was sent indicating that the email has not been delivered to such Party.

The postal addresses and email addresses of the Parties for the purposes of this Agreement shall be as set forth in Clause 8.1 (Service of Notices), or, in each case, such other postal address or email address as a Party may notify to the other Parties for this purpose in accordance with this Clause 8. Notice of any change shall be effective five (5) Business Days after the date on which it is deemed to have been given in accordance with this Clause 8, or such later date as may be specified in the Notice.

9. Miscellaneous

9.1 Alterations

This Agreement may be altered only in writing signed by each Party.

9.2 Approvals and Consents

Save as expressly provided in this Agreement, a Party may, in its discretion, give conditionally or unconditionally or withhold any approval or consent under this Agreement.

9.3 Assignment

A Party may only assign its rights and benefits under this Agreement to any Person with the prior written consent of the other Party.

9.4 Costs

Each Party shall pay its own costs, charges and expenses relating to the negotiation, preparation, execution and performance by it of this Agreement and of each document referred to in it.

9.5 Survival

Any indemnity or obligation of confidentiality under this Agreement is independent and survives termination of this Agreement. Any other term which by its nature is intended to survive termination of this Agreement survives termination of this Agreement.

9.6 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

9.7 No Merger

The rights and obligations of the Parties under this Agreement do not merge on completion of any transaction contemplated by this Agreement.

9.8 Entire Agreement

This Agreement, together with its Background and Schedules, constitute the entire agreement between the Parties in connection with its subject matter and shall be deemed to terminate and supersede all previous agreements or understandings between the Parties in connection with its subject matter.

9.9 Further Action

Each Party undertakes to the other Parties to execute, or procure to be executed, all such documents and to do or procure to be done all such other acts and things as may be necessary to give all Parties the full benefit of this Agreement.

9.10 Severability

Any provision or part of a provision of this Agreement that is held to be illegal or unenforceable may be severed from this Agreement and the remaining provisions or part of a provision of this Agreement shall continue in force and be interpreted as if such provision or part of a provision were so severed.

9.11 No Waiver

A Party does not waive a right, power or remedy if it fails to exercise or delays in exercising such right, power or remedy. A single or partial exercise by a Party of a right, power or remedy does not prevent another or further exercise of that or another right, power or remedy. A waiver of a right, power or remedy must be in writing and signed by the Party giving the waiver.

9.12 Relationship

Save as expressly provided in this Agreement, this Agreement does not create a relationship of employment, trust, agency or partnership between the Parties.

9.13 Language

This Agreement is made in the English language and may be translated into other languages for reference purposes only. In the event of any conflict or inconsistency between the languages, the English version shall in all cases prevail over the version in other languages.

10. Governing Law and Dispute Resolution

10.1 Governing Law

This Agreement is governed by and shall be construed in accordance with the Laws of Hong Kong.

10.2 Dispute Resolution

Any dispute, controversy, difference or Claim arising out of or in connection with or relating to this Agreement or the existence, validity, interpretation, performance, breach or termination thereof (including the validity, scope and enforceability of these arbitration terms) or any dispute regarding non-contractual obligations arising out of or relating to it (**Dispute**), shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (**HKIAC**) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted, except as amended as follows:

- (a) subject to the overall discretion of the arbitration tribunal, the costs of the arbitration, including the HKIAC's and arbitrator's fees and legal costs, shall be borne by the Party losing the arbitration;

- (b) while such Dispute is being arbitrated under this Clause 10.2, none of the Parties shall be permitted to disclose any information or details relating to such Dispute without the written consent of the other Party to the dispute, except as may be required by the applicable Laws or under the rules of any securities exchange;
- (c) the language to be used in the arbitral proceedings shall be English;
- (d) the seat of arbitration shall be Hong Kong;
- (e) the law of this arbitration clause shall be the Laws of Hong Kong;
- (f) the number of arbitrators shall be three (3), with the Company and the Subscriber selecting one (1) arbitrator each, and the two (2) selected arbitrators jointly selecting one (1) arbitrator, and each selected arbitrator shall be appointed in accordance with the applicable rules of the HKIAC; and
- (g) other than the matter being disputed, the Parties shall continue to perform their respective obligations under this Agreement, which are not in dispute.

10.3 Final and Binding

The award of the arbitration tribunal shall be final and binding. The Parties shall waive their rights of appeal, if any, to the extent permitted by Law.

11. Process Agent

- (a) The Subscriber irrevocably appoints Mr Sanvic Choi of Room 5702-5703, 57/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong as its authorised agent for service of process in relation to any proceedings before the courts of Hong Kong in connection with any Transaction Document. If for any reason Mr Sanvic Choi shall cease to be such agent for service of process, the Subscriber shall forthwith appoint a new agent for service of process in Hong Kong and deliver to the Company a copy of the new agent's acceptance of that appointment within five (5) Business Days.
- (b) The Subscriber agrees that failure by a process agent to notify it of the process will not invalidate the proceedings concerned. Nothing in this Agreement shall affect the right to serve process in any other manner permitted by Law.

[The remainder of this page is intentionally left blank.]

Schedule 1 – Company Warranties

Warranty 1 – General

- 1.1 The Company is duly incorporated, validly existing and in good standing under the Laws of the jurisdiction of its incorporation.
- 1.2 The Company has all requisite legal and corporate power and authority to carry on its business as now conducted, and is duly authorised and qualified to transact business in each jurisdiction in which it operates.
- 1.3 The execution, delivery and performance of this Agreement by the Company does not and shall not violate, in any respect, any provision of:
 - (a) any Law or any Order of Bermuda, Hong Kong and any other applicable jurisdiction; or
 - (b) its constitutional documents.

Warranty 2 – Authorisation

- 2.1 Other than such Approvals as contemplated under Clause 3 (Conditions) of this Agreement, the Company has all requisite power and authority to enter into, execute, deliver and perform this Agreement and the transactions contemplated thereunder. This Agreement constitutes valid and legally binding obligations of the Company, enforceable against the Company in accordance with its terms.
- 2.2 Other than such Approvals as contemplated under Clause 3 (Conditions) of this Agreement, no other Approval is required on the part of the Company in connection with the valid entry into, execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereunder.

Warranty 3 – Compliance with Laws

- 3.1 The Company is in compliance in all material respects with all applicable Laws or to the current and planned conduct or operation of its business or the ownership or use of any of its assets or properties. The Company has obtained all Approvals necessary for the conduct of its business as currently conducted, and the Company is not in default of any such Approvals.
- 3.2 No event has occurred and no circumstance exists that (with or without notice or lapse of time) may constitute or result in a violation by the Company of, or a failure on the part of the Company to comply with, any applicable Law, where such violation or failure to comply shall have a Material Adverse Effect.

Warranty 4 – Valid Issue of Subscription Shares

- 4.1 The Subscription Shares, when issued and delivered to the Subscriber in accordance with the terms of this Agreement, will be duly and validly issued and credited as fully paid up, listed on the Main Board of the Stock Exchange, rank *pari passu* in all respects with all the other Shares in issue on the date of the issue of the Subscription Shares (including the right to any dividends or distribution declared on or after the date of such issue), will be free from any Encumbrances, will be free of restrictions on transfer and will not be subject to any lock-up on subsequent transfer and will be issued in compliance with the requirements of all applicable Laws (including the Listing Rules), the Specific Mandate and the contracts to which the Company is a party.

Signing pages

IN WITNESS WHEREOF this Agreement has been executed as a deed by the Parties and is intended to take effect as a deed and to be delivered, and is hereby delivered, as a deed on the date first written above.

EXECUTED AND DELIVERED AS A DEED by)

(common seal)

ZHUGUANG HOLDINGS GROUP COMPANY LIMITED)

(珠光控股集團有限公司))

The Common Seal is affixed in accordance with its constitutional documents in the presence of:)

For and on behalf of
ZHUGUANG HOLDINGS GROUP COMPANY LIMITED
珠光控股集團有限公司



.....
Authorized Signature(s)

Name: YE LIXIA
Title: DIRECTOR

Signature of witness: 

Name of witness: **CHOI KWOK KEUNG SANVIC**
Room 5702-5703, 57/F., Two International Finance Centre

Address: 8 Finance Street, Central, Hong Kong

Occupation: COMPANY SECRETARY



EXECUTED AND DELIVERED AS A DEED by
RONG DE INVESTMENTS LIMITED
(融德投资有限公司)

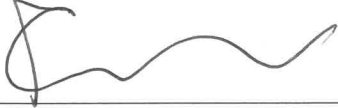
(common seal)

The Common Seal is affixed in accordance with its
constitutional documents in the presence of:

For and on behalf of
RONG DE INVESTMENTS LIMITED
融德投资有限公司

Name: *Authorized Signature*

Title: **LIAO TENGJIA**
DIRECTOR

Signature of witness: 

Name of witness: **CHOI KWOK KEUNG SANVIC**
Room 5702-5703, 57/F., Two International Finance Centre
Address: 8 Finance Street, Central, Hong Kong
Occupation: **COMPANY SECRETARY**

