

Dated 27 May 2026

- (1) **NING JUN**
(寧軍)
(as the Subscriber)
- (2) **RISECOMM GROUP HOLDINGS LIMITED**
(瑞斯康集團控股有限公司)
(as the Issuer)

Loan Capitalisation Agreement

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THIS AGREEMENT is made on 27 May 2026

BETWEEN:

- (1) **NING JUN (寧軍)** (holder of Passport No. EC4362546) of No. 5A, Shilan Third Village, Putuo District, Shanghai, China (the **"Subscriber"**); and
- (2) **RISECOMM GROUP HOLDINGS LIMITED (瑞斯康集團控股有限公司)** (stock code: **1679**), a company incorporated in the Cayman Island whose principal place of business in Hong Kong is situated at Units 4004–5, 40th Floor, Cosco Tower, 183 Queen's Road Central, Hong Kong (the **"Issuer"** or the **"Company"**).

(The Subscriber and the Issuer (or the Company) are collectively referred to as the **"Parties"**, and each or any one of them is referred to as the **"Party"**.)

RECITALS:

- (A) The Issuer is a company incorporated in the Cayman Islands with limited liability.
- (B) The Issuer has at the date of this Agreement an authorised share capital of HK\$5,000,000 divided into 1,000,000,000 shares of HK\$0.005 each (the **"Shares"**), of which 215,813,840 Shares have been issued and are fully paid and are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**). As at the date hereof, the Company does not have any outstanding options, warrants or convertible securities in issue.
- (C) The Subscriber is a connected person (as defined under the Listing Rules) of the Company as at the date of this Agreement, and holds 2,556,000 Shares, representing 1.18% of the issued share capital of the Company.
- (D) At the date of this Agreement, the Issuer was indebted to the Subscriber an aggregate amount of approximately RMB13,639,000 in outstanding principal amount and RMB1,555,000 accrued interest (the **"Indebtedness"**).
- (E) The Subscriber and the Company have agreed that the Company shall issue and the Subscriber shall subscribe for the Capitalisation Shares (as defined below) and the Bonds (as defined below) on and subject to the terms and conditions set out in this Agreement. The Capitalisation Price payable by the Subscriber to the Company shall be set-off against RMB15,194,000 of the Indebtedness on a dollar-to-dollar basis. This Agreement and the transactions contemplated herein are subject to the approval by the independent shareholders of the Company (the **"Independent Shareholders"**) including the granting of the specific mandate (the **"Specific Mandate"**) for allotment and issue of the Capitalisation Shares and the Conversion Shares upon exercise of conversion rights of the Bonds to the Subscriber at an extraordinary general meeting (the **"EGM"**).
- (F) Based on (i) 215,813,840 Shares in issue as at the date of this agreement; and (ii) 30,495,652 Conversion Shares to be issued and allotted upon full conversion of the Bonds, 30,495,652 Conversion Shares will represent (i) 14.13% of the number of Shares in issue as at the date of this Agreement; (ii) 6.16% of the number of Shares in issue as enlarged by the allotment and issue of Conversion Shares; and (iii) 5.40% of the number of Shares in issue as enlarged by the allotment and issue of Conversion Shares and the Capitalisation Shares.

- (G) Application shall be made to the Stock Exchange on behalf of the Company for listing of, and permission to deal in, the Capitalisation Shares and the Conversion Shares.

IT IS HEREBY AGREED between the Parties as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 Definitions: In this Agreement, including its Recitals and the Schedule, unless the context otherwise requires:

“Agreement”	means and includes this Agreement as originally executed and such modification, amendment, addition or supplement from time to time to be agreed between the parties hereto;
“Announcement”	means the announcement proposed to be issued by the Company immediately following the execution of this Agreement containing information concerning the Loan Capitalisation;
“Bond Certificates”	means the definitive registered certificates, substantially in the form set out in Exhibit A in Schedule, to be given under seal by the Company in respect of the Bonds;
“Bond Issue Price”	means a price equal to 100% of the principal amount of the Bonds
“Bonds”	means the zero coupon convertible bonds due on the date falling on thirty-six (36) months of its issue date to be issued by the Company in the principal amount of HK\$14,028,000, subject to, and with the benefit of, the Conditions, which are convertible into 30,495,652 Conversion Shares at the price of HK\$0.46 per Share, representing (i) approximately 14.13% of the existing issued share capital of the Company as at the date of this Agreement; and (ii) approximately 5.40% of the issued share capital of the Company immediately upon Completion as enlarged by allotment and issue of the Capitalisation Shares and the Conversion Shares upon full exercise of the conversion rights under the Bonds;
“Business Day”	means any day (excluding Saturdays and Sundays) on which banks generally are open for business in Hong Kong;
“Capitalisation Price”	means HK\$0.46, being the total of the Share Issue Price and the Bond Issue Price;
“Capitalisation Shares”	means 7,623,913 new Shares to be issued by the Company and subscribed by the Subscriber, representing (i) approximately 3.53% of the existing

issued share capital of the Company as at the date of this Agreement; and (ii) approximately 2.67% of the issued share capital of the Company immediately upon Completion as enlarged by the allotment and issue of the Capitalisation Shares, and “Capitalisation Share” shall be construed accordingly;

“Completion”	means completion of the Loan Capitalisation pursuant to the terms and conditions of this Agreement;
“Completion Date”	means the date of actual Completion;
“Conditions”	means the terms and conditions of the Bonds as set out in Schedule which shall be attached to the Bond Certificates;
“Conditions Precedents”	means the conditions precedent set out in Clause 2.1;
“Conversion Price”	has the meaning given to it in the Conditions;
“Conversion Shares”	means the new Shares to be allotted and issued upon conversion of the Bonds pursuant to the Conditions;
“Encumbrances”	means any option, right to acquire, right of conversion, right of pre-emption, right of first refusal, restriction on transfer, equity, claim, charge (whether fixed or floating), mortgage, pledge, lien, assignment, power of sale, hypothecation, title retention or other third party right or security interest of any kind and any agreement, arrangement or obligation (including any conditional obligation) to create any such right or interest;
“Group”	means the Company and its subsidiaries;
“HK\$”	means Hong Kong dollars in the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Indebtedness”	has the meaning given to it in Recital (D);
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan Capitalisation”	means the allotment and issue of the Capitalisation Shares and the Bonds by the Company to the Subscriber;
“Long Stop Date”	means 30 September 2026 (or such later date as the Company and the Subscriber may agree in writing);
“Register”	means the register of holders of the Bonds which shall be maintained by the Company in accordance with the

requirements of the Conditions;

“Repayment Amount”	the amount of the Indebtedness due to the Subscriber of RMB15,194,000, being the agreed amount for setting-off against the subscription amount payable by Subscriber under this Agreement;
“RMB”	means Renminbi, the lawful currency of the People’s Republic of China;
“Shares”	has the meaning given to it in Recital (B);
“Share Issue Price”	means HK\$0.46 per Capitalisation Share, representing a discount of approximately 13.21% to the average closing price of HK\$0.53 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately preceding the date of this Agreement;
“Stock Exchange”	has the meaning given to it in Recital (B); and
“%”	per cent.

- 1.2 **Interpretation:** In this Agreement, including its Recitals and the Schedule, unless otherwise defined or unless the context or subject matter otherwise requires, any reference to parties to this Agreement shall include their respective permitted assignees and successors; any reference to Recitals, Clauses or the Schedule is a reference to the recitals and clauses of, and the schedule to, this Agreement; any reference to a statutory provision shall include a reference to that provision as amended or re-enacted from time to time; headings are inserted for convenience only and shall be ignored in construing this Agreement; the singular includes the plural and vice versa, words importing gender or the neuter include both genders and the neuter; any reference to this Agreement or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document as it may have been, or may be, amended, varied, novated or supplemented.

2. CONDITIONS PRECEDENT

- 2.1 Completion of this Agreement is conditional upon:

- (a) the Listing Committee of the Stock Exchange having granted approval for the listing of and permission to deal in the Capitalisation Shares and the Conversion Shares, and such approval not having been revoked before the Completion;
- (b) the approval of this Agreement and the transactions contemplated hereunder, including the granting of the Specific Mandate for the allotment and issue of the Capitalisation Shares and the Conversion Shares upon exercise of conversion rights of the Bonds to the Subscriber, by the Independent Shareholders at the EGM;
- (c) there has been no material breach of any representations, warranties or

agreements by any Party prior to Completion; and

- (d) all necessary consents and approvals required to be obtained on the part of the Company in respect of this Agreement and the transactions contemplated hereunder having been obtained.

2.2 Save for condition (c) above which can be waived by the Subscriber by notice in writing to the Company, none of the above conditions may be waived by the Company or the Subscriber. In the event that the Conditions Precedent are not fulfilled on or before the Long Stop Date, this Agreement and all rights and obligations hereunder will cease and terminate and neither of the parties hereto will have any claim against the other for costs, damages, compensation or otherwise.

3. CAPITALISATION

3.1 Subject to the fulfilment of the Conditions Precedent and on Completion, the Subscriber shall subscribe for and the Company shall issue to the Subscriber:

- (a) the Capitalisation Shares at the Share Issue Price fully paid and free from all Encumbrances; and
- (b) the Bonds at the Bond Issue Price free from all Encumbrances.

3.2 The Capitalisation Price payable by the Subscriber shall be satisfied by setting off against the Repayment Amount of RMB15,194,000 upon Completion.

3.3 The Company agrees that the Capitalisation Shares shall, when fully paid, rank *pari passu* in all respects with the other Shares in issue or to be issued by the Company on or prior to the Completion Date including the rights to all dividends and other distributions declared, made or paid at any time after the Completion.

4. COMPLETION

4.1 Subject to the fulfilment of the Conditions, Completion shall take place at the offices of the Company on or before the tenth (10) Business Day following the day upon which the Conditions shall have been satisfied (or such other time and/or date as the Company and the Subscriber may agree in writing). At Completion, the following business shall be transacted:

- (a) the Company shall deliver to the Subscriber evidence of the fulfilment of the Conditions;
- (b) the Subscriber shall deliver to the Company application for the Capitalisation Shares agreed to be subscribed under this Agreement in the form set out in the Schedule;
- (c) the Company shall allot and issue the Capitalisation Shares to the Subscriber and shall promptly thereafter register the Subscriber as a member of the Company;
- (d) the Company shall cause to be delivered to the Subscriber definitive share certificate(s) issued in the name of the Subscriber in respect of the Capitalisation Shares and in accordance with the instructions given in the

application to be delivered in Clause 4.1(b) PROVIDED THAT the Company's obligations under this Clause 4.1(d) may be satisfied within two weeks of the Completion Date;

- (e) the Company shall issue the Bonds to the Subscriber free and clear from all Encumbrances; and
 - (f) procure the entry in the Register of the name of the Subscriber as the holder of the Bonds, and deliver to or to the order of the Bond Certificates (in such number as shall have been notified by the Subscriber to the Company at least three (3) Business Days prior to Completion) duly sealed by the Company representing the full amount of the Bonds and substantially in the form set out in Exhibit A in Schedule.
- 4.2 At Completion, the Subscriber shall satisfy the Share Issue Price and the Bond Issue Price payable to the Company by the capitalisation and setting off against the Repayment Amount, which shall constitute a complete discharge of its obligations in respect thereof.

5. LISTING OF CAPITALISATION SHARES AND CONVERSION SHARES

The Bonds will not be listed on any stock exchange. The Company covenants and agrees that it will as soon as practicable following the execution of this Agreement make an application to the Stock Exchange for the listing of, and permission to deal in, the Capitalisation Shares and the Conversion Shares.

6. REPRESENTATIONS AND WARRANTIES

- 6.1 In consideration of the Subscriber entering into this Agreement, the Company represents, warrants and undertakes to the Subscriber that the Capitalisation Shares and the Conversion Shares shall be issued and allotted in accordance with the articles of association of the Company and with all relevant laws of Hong Kong and the Cayman Islands and shall rank *pari passu* in all respects and with all other Shares.
- 6.2 The representations and warranties contained in this Clause are deemed to be given as at the date hereof and shall remain true and accurate in all respects up to and including the Completion Date. In addition, such representations and warranties shall be deemed to be given on and as at Completion and the Company hereby undertakes to notify the Subscriber of any matter or event coming to its attention prior to Completion the occurrence of which shall result in a breach of the representations, warranties and undertakings given hereunder.
- 6.3 If prior to Completion (and whether by notice as aforesaid or otherwise) any such matter or event referred to in Clause 6.2 comes to the attention of the Subscriber, it shall be entitled (but not bound) by notice to the Company to elect to treat such matter or event as releasing and discharging the Subscriber from its obligations under this Agreement.
- 6.4 The foregoing representations, warranties and undertakings shall remain in full force and effect notwithstanding the allotment and issue of the Capitalisation Shares and the Bonds to the Subscribers.

7. ANNOUNCEMENT

Subject to any applicable statutory or regulatory rules or the Listing Rules or otherwise as may be required by the Stock Exchange or the Securities and Futures Commission of Hong Kong and save and except for the Announcement, no Party shall make any public announcement or communication or despatch any circular in relation to this Agreement or the transactions or arrangements hereby contemplated or any matter ancillary hereto without the prior written consent of the other Party.

8. NOTICES

8.1 Any notice to be given under this Agreement shall be in English and made in writing and may be delivered personally or sent by prepaid letter (airmail if overseas) or facsimile transmission. A notice shall be sent to the addressee (marked for the attention of the appropriate person) at its address or facsimile number set out below or to such other address or facsimile number as may be notified by such addressee to the other Party from time to time for the purpose of this Clause:

8.2 Notices shall be given as follows:

To the Subscriber: Address: No. 5A, Shilan Third Village, Putuo District,
Shanghai. China
Facsimile Attention: NING JUN

To the Issuer: Address: Units 4004–5, 40th Floor, Cosco Tower, 183
Queen's Road Central, Hong Kong
Facsimile Attention: YE BAILING

8.3 A notice shall be deemed to have been served:

- (a) if personally delivered, at the time of delivery;
- (b) if posted, if to an addressee within the same country, two (2) Business Days (or if to an addressee in a different country, five (5) Business Days, when it shall be sent by airmail) after the envelope containing the notice was delivered into the custody of the postal authorities; or
- (c) if communicated by facsimile transmission, at the time of transmission;

PROVIDED THAT where, in the case of delivery by hand or transmission by facsimile, such delivery or transmission occurs after 4 p.m. (local time) on a Business Day or on a day which is not a Business Day in the place of receipt, service shall be deemed to occur at 9 a.m. (local time) on the next following Business Day.

8.4 In proving service, it shall be sufficient to prove that personal delivery was made or that the envelope containing the notice was properly addressed and delivered into the custody of postal authorities authorised to accept the same, or if sent by facsimile, by receipt of automatic confirmation of transmission or answerback PROVIDED THAT a notice shall not be deemed to be served if communicated by facsimile transmission which is not legible in all material respects; such transmission shall be deemed to have been so legible if a request for retransmission is not made before the end of the next Business Day following the transmission.

9. GENERAL PROVISIONS

- 9.1 Further Assurance: Each Party agrees to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by law or as may be necessary or reasonably desirable to implement and/or give effect to this Agreement and the transactions contemplated by it.
- 9.2 Entire Agreement: This Agreement (including the Recitals set forth above, together with any document described in or expressed to be entered into in connection with this Agreement) constitutes the entire agreement between the parties in relation to the transaction(s) herein referred to and supersedes any previous agreement between the parties in relation to such transaction(s).
- 9.3 Remedies Cumulative: Any right, power or remedy expressly conferred upon any Party under this Agreement shall be in addition to, not exclusive of, and without prejudice to all rights, powers and remedies which would, in the absence of express provision, be available to it; and may be exercised as often as such Party considers appropriate.
- 9.4 Waivers: No failure, relaxation, forbearance, indulgence or delay of any Party in exercising any right or remedy provided by law or under this Agreement shall affect the ability of that Party subsequently to exercise such right or remedy or to pursue any other rights or remedies, nor shall such failure or delay constitute a waiver or variation of that or any other right or remedy. No single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.
- 9.5 Severability: The parties intend that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws applied in each jurisdiction in which enforcement is sought. If any particular provision or part of this Agreement shall be held to be invalid or unenforceable, then such provision shall (so far as invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement. The parties shall use all reasonable endeavours to replace the invalid or unenforceable provisions by a valid and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.
- 9.6 Variation: No variation of any of the terms of this Agreement (or of any document described in or expressed to be entered into in connection with this Agreement) shall be effective unless such variation is made in writing and signed by or on behalf of each of the parties. The expression "variation" shall include any variation, supplement, deletion or replacement however effected.
- 9.7 Assignment: This Agreement shall be binding upon, and inure to the benefit of, the parties and their respective successors and permitted assigns. No Party shall take any steps to assign, transfer, charge or otherwise deal with all or any of its rights and/or obligations under or pursuant to this Agreement without the prior written consent of the other parties. In the absence of the prior written consent of the parties, this Agreement shall not be capable of assignment.
- 9.8 Rights of third parties: A person who is not a Party to this Agreement shall have no rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce or enjoy the benefit of any terms of this Agreement.

The consent of any person who is not a Party to the Agreement is not required to rescind or vary the Agreement.

- 9.9 Counterparts: This Agreement may be executed in any number of counterparts all of which, taken together, shall constitute one and the same agreement. Any Party may enter into this Agreement by executing any such counterpart.
- 9.10 Independent Legal Advice: The Subscriber hereby agrees and acknowledges that: (a) prior to its execution of this Agreement, it had been advised to obtain and had obtained or had the opportunity to obtain independent legal advice on the purposes, effect, consequences and implications of this Agreement and the documents referred to herein; and (b) upon its execution of this Agreement, it has carefully read the provisions of this Agreement and fully understands and is fully aware of the purposes, effect, consequences and implications of this Agreement and the documents referred to herein; and it executes this Agreement freely and voluntarily without duress or undue influence on the part of the parties or any other person.
- 9.11 Punctual Performance: Time shall be of the essence of this Agreement.
- 9.12 Costs and Expenses: Except as expressly agreed otherwise in writing each of the Parties shall bear the costs and expenses, including all legal costs, incurred by such Party in connection with this Agreement.

10. GOVERNING LAW AND JURISDICTION

- 10.1 Governing Law: This Agreement (together with all documents referred to in it) shall be governed by and construed and take effect in accordance with the laws of Hong Kong.
- 10.2 Jurisdiction: With respect to any question, dispute, suit, action or proceedings arising out of or in connection with this Agreement ("**Proceedings**"), each Party irrevocably:
- (a) submits to the non-exclusive jurisdiction of the courts of Hong Kong; and
 - (b) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such Party.

Nothing in this Agreement precludes either Party from bring Proceedings in any other jurisdiction nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

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SCHEDULE

Terms and Conditions of the Bonds

The issue of up to HK\$14,028,000 aggregate principal amount of zero coupon convertible bonds with 3-year maturity of RISECOMM GROUP HOLDINGS LIMITED (瑞斯康集團控股有限公司) (the “**Issuer**”).

In these term and conditions of the Bonds (the “**Conditions**”), the words and expressions set out below shall have the meaning attributed to them below unless the context otherwise requires:

DEFINITIONS

For the purposes of these Conditions:

“Approved Financial Adviser”	means an independent reputable accounting firm, merchant bank or other reputable financial institution selected and appointed by the Issuer at the cost of the Issuer and acceptable to the Bondholders.
“Authorised Denomination”	has the meaning given to it in Condition 2(i).
“Bonds”	HK\$14,028,000 aggregate principal amount of zero coupon convertible bonds with 3-year maturity.
“Board”	means the board of directors of the Issuer from time to time.
“Bondholder”	means in relation to a Bond, the person in whose name a Bond is registered.
“Business Day”	means a day on which banks are open for ordinary banking business in Hong Kong (other than a Saturday, Sunday or a public holiday or a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.).
“CCASS”	means the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited.
“Certificate”	means the certificate of a Bond, substantially in the form set out in Exhibit A to be issued in respect of such Bond together with the Conditions.
“Companies Ordinance”	means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).
“Closing Price”	means, in respect of a Share on a particular date, the closing price per Share as quoted on the Stock Exchange on such date.

“Conversion Date”	has the meaning given to it in Condition 6(iv)(a).
“Conversion Notice”	has the meaning given to it in Condition 6(iv)(a).
“Conversion Period”	has the meaning given to it in Condition 6(i)(a).
“Conversion Price”	has the meaning given to it in Condition 6(iii).
“Conversion Right”	has the meaning given to it in Condition 6(i)(a).
“Conversion Shares”	means the Shares to be issued by the Issuer upon conversion of the Bonds.
“Current Market Price”	means, in respect of a Share on a particular date, the average of the daily Closing Price of one Share on each of the five (5) consecutive Trading Days ending on and including the Trading Day immediately preceding such date.
“Delivery Date”	has the meaning given to it in Condition 6(iv)(c).
“Designated Hong Kong Address”	means the Issuer's principal place of business in Hong Kong being Units 4004–5, 40th Floor, Cosco Tower, 183 Queen's Road Central, Hong Kong or such other place of business of the Issuer in Hong Kong as the Issuer may notify the Bondholders.
“Distribution”	shall (without prejudice to the generality of that phrase) include distributions in cash or specie.
“Dividend”	means any dividend or distribution, whether of cash, assets or other property, and whenever paid or made and however described (and for these purposes a distribution of assets includes, without limitation, an issue of Shares or other securities credited as fully or partly paid-up) provided that where a cash Dividend is announced which is to be, or may at the election of a holder or holders of Shares be, satisfied by the issue or delivery of Shares or other property or assets, then, the Dividend in question shall be treated as a cash Dividend of an amount equal to the greater of: (a) the cash Dividend so announced; and (b) the amount calculated on the basis of the Current Market Price on the date of announcement of such Dividend of such Shares or the Fair Market Value of other property or assets to be issued or delivered in satisfaction of such Dividend (or which would be issued if all holders of Shares elected therefor, regardless of whether any such election is made).
“Equity Securities”	mean (i) any Shares or other equity security of the Issuer, (ii) any security convertible into or exercisable or exchangeable for, with or without consideration, any Shares or other equity security of the Issuer (including any option to purchase such a convertible security), (iii) any security carrying any warrant or right to subscribe to or purchase any Shares, or other equity security of the Issuer or (iv) any such warrant or right, except (a) any Shares or other equity

securities that the Issuer was under an obligation to issue pursuant to any binding agreement entered into before the date of the Loan Capitalisation Agreement, and (b) the grant of options or rights and the issue of Shares by the Issuer pursuant to a Share Option Scheme.

“Event of Default”	has the meaning given to it in Condition 11.
“Fair Market Value”	means, with respect to any assets, security, option, warrants or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by an Approved Financial Adviser (acting as an expert); provided that: (i) the fair market value of a cash Dividend paid or to be paid per Share shall be the amount of such cash Dividend per Share determined as at the date of announcement of such Dividend; and (ii) where options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by the Approved Financial Adviser) the fair market value of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five (5) trading days on the relevant market commencing on the first such trading day on which such options, warrants or other rights are publicly traded.
“Group”	means the Issuer and its Subsidiaries from time to time and “members of the Group” shall be construed accordingly.
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China.
“Issue Date”	means the completion date of the Loan Capitalisation Agreement, being the date on which the Bond is first issued.
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented and/or otherwise modified from time to time.
“Loan Capitalisation Agreement”	means the loan capitalisation agreement dated 27 May 2026 between (i) the Issuer and (ii) Subscriber in relation to, among other things, the issuance and subscription of the Bonds, as varied, amended, modified, supplemented or novated from time to time.
“Material Adverse Effect”	means an event or circumstance, occurrence or any combination thereof arising or occurring, the effect of which is reasonably likely to have a material adverse effect on (i) the business, operations, assets, liabilities (including contingent liabilities), business or financial condition, results or, prospects of the Group as a whole, or (ii) the ability of the Issuer to perform its obligations hereunder; provided that (a) any change that generally affects the industries or markets in which the Group operates, (b) any change in the financial markets or general economic or political conditions, (c) any change in law or any accounting principle

	applicable to the Group shall not be taken as a "Material Adverse Effect".
"Maturity Date"	means the date falling on the third anniversary date of the Issue Date.
"Register"	has the meaning given to it in Condition 2(i).
"Registered Account"	has the meaning given to it in Condition 8(ii).
"Share Option Scheme"	means any share option scheme adopted by the Issuer which is subject to the requirements of the Listing Rules.
"Shareholder(s)"	means holder(s) of Shares.
"Shares"	means ordinary share(s) of par value of HK\$0.005 each in the issued capital of the Issuer.
"Stock Exchange"	means The Stock Exchange of Hong Kong Limited.
"Subsidiaries"	means the subsidiaries of the Issuer.
"subsidiaries"	shall have the meanings given to it under Section 15 of the Companies Ordinance.
"Takeovers Code"	means the Code on Takeovers and Mergers of Hong Kong.
"Tax" and "Taxation"	means (a) any form of tax whenever created or imposed and whether of Hong Kong, the Cayman Islands or elsewhere, payable to or imposed by any taxation authority and includes, without limitation, profits tax, provisional profits tax, interest tax, salaries tax, property tax, taxes on income, estate duty, capital duty, stamp duty, payroll tax and other similar liabilities or contributions and any other taxes, levies, duties, charges, imposts or withholdings similar to, corresponding with, or replacing or replaced by any of the foregoing and including an amount equal to any deprivation of any relief from taxation; and (b) all charges, interests, penalties and fines, incidental or relating to any Taxation falling within (a) above.
"Trading Day"	means a day on which trading of the Shares is conducted on the Stock Exchange in accordance with the rules and regulations of the Stock Exchange promulgated from time to time.
"%"	per cent.

1. SUBSCRIPTION

The Issuer shall allot and issue, and the Subscriber shall subscribe for 100% of the principal amount of the Bonds on the Issue Date.

2. FORM, DENOMINATION AND TITLE

(i) Form and Denomination

The Bonds are in registered form in the denomination of HK\$100,000 each and integral multiples thereof (each, an “**Authorised Denomination**”). A Certificate will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the Register of Bondholders (the “**Register**”) which will be kept by the Issuer.

(ii) Title

Title to the Bonds will pass only by transfer and registration in the Register as described in Condition 4 (Transfer of Bonds; Issue of Certificates). The holder of any Bond will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner 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 will be liable for so treating the holder.

3. STATUS

- (i) The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable legislation, at all times rank at least equally with all of its other present and future unsubordinated and unsecured obligations.
- (ii) The Bonds are not listed on the Stock Exchange or any other stock exchange. No application will be made for the listing of the Bonds on the Stock Exchange or any other stock exchange. No application will be made for the admissibility, deposit, clearance or settlement of the Bonds in CCASS or any other clearing system.

4. TRANSFERS OF BONDS; ISSUE OF CERTIFICATES

(i) Register

- (a) The Issuer will cause the Register to be kept at the Designated Hong Kong Address on which the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers are entered. Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of such Bonds.
- (b) Any Bondholder may require a copy of the names and addresses of the Bondholders and the amount of outstanding principal amount of each of such Bondholders as set out in the Register. The Issuer shall, within three (3) Business Days of its receipt of such requirement, make available a copy of the Register for collection at the Designated Hong Kong Address or, if so requested by the Bondholder, be sent by courier at the risk and cost of the Bondholder entitled.

(ii) Transfer

- (a) Bonds may, subject to this Condition and Condition 4(v) (Restricted Transfer Periods), be transferred in whole or in part by delivery of the Certificate issued in respect of that Bond, with the form of transfer set out in Exhibit B to these Conditions duly completed and signed by the holder or his attorney duly authorised in writing, to the Issuer at the Designated Hong Kong Address with such evidence as the Issuer may reasonably require to prove the authority of the individuals who have executed the form of transfer. No transfer of a Bond will be valid unless and until entered on the Register.
- (b) A Bond may only be transferred if:
 - (1) the transfer is of an Authorised Denomination;
 - (2) it is not transferred to any person who is a connected person (as defined under the Listing Rules) of the Issuer and/or the transfer will not result in the Issuer contravening the Listing Rules including rules regarding public float requirement; and
 - (3) the Bondholder proposing to transfer a Bond has given the Issuer not less than five (5) Business Days' prior written notice. The Issuer shall then be entitled to require the transferee to provide on a timely basis such documentation and other evidence for the purpose of (i) background checks (or "know you customer" checks) on the transferee, and (ii) identification as to whether the transferee is a connected person (as defined under the Listing Rules) of the Issuer, as is reasonably requested by the Issuer and to the satisfaction of the Issuer. Where the Issuer has not received such documentation and evidence from the transferee within the notice period set out in the above written notice of the Bondholder, the Issuer shall forthwith inform the Bondholder. For the avoidance of doubt, the Bond shall not be transferred before such documentation and evidence is provided to the Issuer.

(iii) Delivery of New Certificates

- (a) Each new Certificate to be issued upon a transfer of Bonds will, within five (5) business days of receipt by the Issuer of the original Certificate and the form of transfer duly completed and signed and all other documentation and evidence required under Condition 4(ii)(a), be made available for collection at the Designated Hong Kong Address or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the transferee (but free of charge to the transferee and at the Issuer's expense) to the address specified in the form of transfer.
- (b) Where only some of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred or converted a new Certificate in respect of the Bonds not so transferred or converted may, at the request of a holder and within five (5) Business Days of delivery of the original Certificate and all other documentation and evidence required under the relevant Conditions to the Issuer, be made available for collection at the Designated Hong Kong Address or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, converted, redeemed or repurchased (but free of charge to the holder and at the Issuer's expense) to the address of such holder appearing on the Register.

(iv) Formalities Free of Charge

- (a) Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge subject to (1) the person making such application for transfer or the transferee paying or procuring the payment (or at the Issuer's option, the giving of such indemnity as the Issuer may require) of any taxes, duties and other governmental charges in connection therewith, (2) the Issuer being satisfied with the documents of title and/or identity of the person making the application, and (3) the Issuer being satisfied that relevant laws, rules, ordinances and regulations concerning transfers of the Bonds have been complied with.
- (b) The transferor Bondholder shall bear (1) any reasonable legal and other costs and expenses which may be properly incurred by the Issuer in connection with any transfer of a Bond or any request therefor (including, but without limitation to, the costs which may be properly incurred by the Issuer to comply with the Listing Rules and the Takeovers Code in respect of such transfer) except the mailing costs referred to in Condition 4(iii); and (2) all Taxes and governmental charges which may be imposed in relation to such transfer.

(v) Restricted Transfer Periods

No Bondholder may require the transfer of a Bond to be registered (a) during the period of five (5) days ending on (and including) the dates for payment of any principal pursuant to the Conditions; and (b) after a Conversion Notice (as defined in Condition 6(iv)(a) (Conversion Notice)) has been delivered with respect to such Bond.

5. INTEREST

- (i) The Bonds shall bear zero coupon interest.
- (ii) In the case of occurrence of any failure by the Issuer to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, default interest shall be charged at a rate of three percent (3%) per annum on any amount of principal outstanding from the due date up to (and including) the date of full payment of the overdue amount by the Issuer into the Bondholder's bank account.
- (iii) Upon the occurrence of an Event of Default other than failure by the Issuer to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, default interest shall be charged at the rate of three percent (3%) per annum on the outstanding principal amount of the Bonds from the date of occurrence of the Event of Default up to (and including) the date such Event of Default has been fully remedied by the Issuer to the satisfaction of the Bondholder.
- (iv) Such default interest as referred to in Conditions 5(ii) and 5(iii) above shall accrue on the basis of the actual number of days elapsed and a 365-day year. Such default interest shall be payable by the Issuer within five (5) days following the due date or the date of occurrence of the Event of Default (as the case may be).

6. CONVERSION

(i) Conversion Right

(a) Conversion Period

Subject as provided in these Conditions, each Bond shall entitle the holder to convert the Bonds into Shares credited as fully paid (the “**Conversion Right**”).

Subject to and upon compliance with these Conditions, the Conversion Right in respect of a Bond may be exercised, at any time on or after the Issue Date to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the Maturity Date (both days inclusive) (but, except as provided in Condition 6(i)(c) (Survival after Default) (the “**Conversion Period**”).

Subject to, and upon compliance with, the provisions of these Conditions, the Bondholder’s Conversion Right attaching to any Bond may be exercised in whole or in part of the outstanding principal amount of the Bond, at the option of the holder thereof, provided that:

- (1) any conversion shall be made in amounts of not less than a whole multiple of HK\$100,000 on each conversion save that if at any time the aggregate outstanding principal amount of the Bonds is less than HK\$100,000, the whole (but not part only) of the outstanding principal amount of the Bonds may be converted;
- (2) the conversion will not cause the Issuer to be, at any time, unable to meet the public float requirement under the Listing Rules or as required by the Stock Exchange, in which case only a portion of the Conversion Rights may be exercised so as to maintain the public float requirement;
- (3) the conversion will comply with all applicable laws, regulations and rules (including without limitation, Rule 31.3 of the Takeovers Code); and
- (4) the conversion of the Bonds does not result in the holders of the Bonds and/or the parties acting in concert with any of them and/or their respective associates being interested in such percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer obligation under Rule 26 of the Takeovers Code on the part of the Bondholder(s) which exercised the conversion rights unless a whitewash waiver is granted by the Securities Futures Commission of Hong Kong for such purpose or the Bondholder(s) shall fulfill the mandatory general offer obligation under Rule 26 of the Takeovers Code

(b) Fractions of Shares

- (1) Fractions of Shares will not be issued on exercise of a Conversion Right and no cash payment or other adjustment will be made in lieu thereof.
- (2) However, if the Conversion Right in respect of more than one Bond is exercised by a Bondholder at any one time such that Shares to be issued on conversion are to be registered in the same name, the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares.
- (3) Notwithstanding the foregoing, in the event of a consolidation or re-classification of Shares by operation of law or otherwise occurring after the Initial Issue Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash in Hong Kong dollars a

sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6(ii), as corresponds to any fraction of a Share not issued as a result of such consolidation or re-classification aforesaid if such sum exceeds HK\$100.00. Any such sum shall be paid not later than three (3) Business Days after the relevant Conversion Date by means of a Hong Kong dollar cheque drawn on, or by a transfer to a Hong Kong dollar account maintained by the payee with, a bank in Hong Kong, in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice, or the Registered Account of the Bondholder, as the case may be.

(c) Survival after Default

Notwithstanding the provisions of Condition 6(i)(a) (Conversion Period), if any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events under Condition 11 (Events of Default), the Conversion Right attaching to such Bond will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Bondholders.

(ii) Number of Shares issuable on Conversion

A Conversion Right of a Bondholder may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

The number of Shares to be issued on conversion of a Bond will be determined by the following formula:

$$S = \frac{B}{P}$$

where:

- | | | |
|---|---|---|
| S | = | number of Shares to be issued to be rounded down to the nearest whole number of Shares; |
| B | = | the whole or such part of the principal amount of the Bonds to be converted; and |
| P | = | the Conversion Price. |

(iii) Conversion Price

The price at which Shares will be issued upon conversion will be HK\$0.46 per Share (the “**Conversion Price**”) but will be subject to adjustment in the manner provided in Condition 6(v).

(iv) Conversion Procedure

(a) Conversion Notice

Conversion Rights may be exercised by a Bondholder at its own cost at any time during the relevant Conversion Period by delivering a duly completed and signed notice of conversion (a “**Conversion Notice**”) in the form attached as Exhibit C to these Conditions at the Designated Hong Kong Address. Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the relevant Conversion Notice and the Certificate evidencing such Bond are delivered for conversion.

The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable and will be deemed to be the date on which the Conversion Notice is received and on which the Certificate in respect of such Bond shall be surrendered in the case of the exercise of Conversion Right by a Bondholder.

If such delivery is made after the close of business of a Business Day or on a day which is not a Business Day in the place of the Designated Hong Kong Address, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following Business Day.

Any determination as to whether any Conversion Notice has been duly completed and properly delivered shall be made by the Issuer and shall, save in the case of manifest error, be conclusive and binding on the relevant Bondholder.

Conversion Rights may only be exercised in respect of an Authorised Denomination. A Conversion Notice, once delivered, shall be irrevocable and may not be withdrawn unless the Issuer consents to such withdrawal.

(b) Stamp Duty etc.

A Bondholder exercising Conversion Rights must pay directly to the relevant authorities any Taxes or capital, stamp, issue and registration and transfer taxes and duties arising on such exercise (other than any Taxes or capital or stamp duties payable in the Cayman Islands, Hong Kong or any other jurisdictions by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on conversion).

The Bondholder (and, if different, the person to whom the Shares are to be issued) must declare in the relevant Conversion Notice that any amounts payable to the relevant tax authorities in settlement of Taxes payable pursuant to this Condition 6(iv)(b) have been, or will be, paid.

Such Bondholder must also pay all, if any, Taxes imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of Conversion Rights by it.

(c) Delivery

Upon exercise by a Bondholder of its Conversion Right and compliance with Conditions 6(iv)(a) (Conversion Notice) and 6(iv)(b) (Stamp Duty etc.), the Issuer will, as soon as practicable and on or before the second (2nd) Business Day after the Conversion Date, issue to the Bondholder (or such other person designated for the purpose in the Conversion Notice) the relevant number of Conversion Shares and shall immediately upon the issue of those Conversion Shares enter the relevant Bondholder (or such other person designated for the purpose in the

Conversion Notice) in the register of members of the Issuer as the holder of those Conversion Shares (and made available for collection at the office of the Issuer's share registrar in Hong Kong or, if so requested in the Conversion Notice, cause its share registrar to mail (at the risk, and, if sent at the request of such person otherwise than by ordinary mail, at the expense, of the person to whom such Certificate or Certificates are sent) such Share certificate or certificates to the person and at the place specified in the Conversion Notice), or, if the Bondholder has so requested, take all necessary actions to procure that Shares are delivered through CCASS.

The delivery of the Shares to the converting Bondholder (or such person or persons designated in the relevant Conversion Notice) in the manner contemplated above in this Condition 6(iv)(c) will be deemed to satisfy the Issuer's obligation to pay the principal and premium (if any) on such converted Bonds.

If the Conversion Date in relation to the conversion of any Bond is after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6(v) (Adjustments) and such adjustment cannot be determined on the Conversion Date, upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares (the "**Additional Shares**") as is, together with Shares to be issued on conversion of the Bond(s), equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective on the relevant ex-entitlement date (a "**Retroactive Adjustment**") and in such event and in respect of such Additional Shares references in this Condition 6(iv)(a) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the relevant Conversion Period).

The person or persons specified for that purpose in the Conversion Notice will become the registered owner(s) of the number of Shares issuable upon conversion with effect from the date the Shares are delivered pursuant to Condition 6(iv)(c) (the "**Delivery Date**").

The Shares issued upon exercise of Conversion Rights will be fully paid and will in all respects rank *pari passu* with the fully paid Shares in issue on the relevant Delivery Date except for any right excluded by mandatory provisions of applicable law and except that such Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record or other due date for the establishment of entitlement for which falls prior to the relevant Delivery Date.

(v) Adjustments

- (a) Subject as hereinafter provided, the Conversion Price shall from time to time be adjusted in accordance with the following relevant provisions and so that if the event giving rise to any such adjustment shall be such as would be capable of falling within more than one of this Condition 6(v)(a) (1) to (7) inclusive of this Condition 6(v), it shall fall within the paragraph that allows the greatest extent of adjustment to the exclusion of the remaining paragraphs:

(1) Consolidation, Subdivision or Reclassification

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

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

Where:

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

B = the nominal amount of one Share immediately before such alteration. Such adjustment shall become effective on the date the alteration takes effect.

(2) Capitalisation of Profits or Reserves

If and whenever the Issuer shall issue any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves including, Shares paid up out of distributable profits or reserves and/or share premium account save where Shares are issued in lieu of the whole or any part of a specifically declared cash Dividend, being a Dividend which the Shareholders concerned would or could otherwise have received and which would not have constituted a Distribution (or, a scrip dividend), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

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

Where:

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

B = the aggregate nominal amount of the issued Shares immediately after such issue.

Such adjustment shall become effective on the day on which the Shares are issued or if a record date is fixed therefor, immediately after such record date.

(3) Distributions

If and whenever the Issuer shall pay or make any Distribution to the Shareholders (except to the extent that the Conversion Price falls to be adjusted under Condition 6(v)(a)(2) (Capitalisation of Profits or Reserves) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Distribution by the following fraction:

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

Where:

- A = the Current Market Price on the last Trading Day preceding (a) the date on which the Distribution is publicly announced or (b) (where no such announcement is required to be made under the Listing Rules) the record date of the Distribution; and
- B = the Fair Market Value on the date of such announcement (or, where no such announcement is required to be made under the Listing Rules, such record date) of the portion of the Distribution attributable to one Share.

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

For the avoidance of doubt, Distribution excludes all cash distributions paid to the Shareholders.

(4) Rights Issues of Shares or Options over Shares

If and whenever the Issuer shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares (other than options granted by the Issuer pursuant to a Share Option Scheme), in each case at less than 75% of the Current Market Price per Share on 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 before such issue or grant by the following fraction:

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

Where:

- A = the number of Shares in issue immediately before such announcement;
- B = the number of Shares which the aggregate amount (if any) payable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such Current Market Price per Share; and
- C = the aggregate number of Shares issued or, as the case may be comprised in the issue or 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).

(5) Rights Issues of Other Securities

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

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

Where:

A = the Current Market Price of one Share on the last Trading Day proceeding the date on which such issue or grant is publicly announced; and

B = the Fair Market Value on the date of such announcement of the portion of the rights attributable to one Share.

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

(6) Issues of further Shares or Securities

If and whenever the Issuer shall issue any Shares, whether for cash or non-cash consideration (other than Shares issued on the exercise of Conversion Rights) or the issue or grant of options, warrants or other rights to subscribe for or purchase Shares or securities convertible or exchangeable into Shares, in each case at a price per Share which is less than 75% of the Current Market Price on the last Trading Day preceding the date of announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the prevailing Conversion Price in force immediately before such issue or grant by the following fraction:

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

where:

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

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

C = the aggregate number of such additional Shares comprised in the issue or the additional Shares to be issued upon full exercise of such options, warrants or other rights to subscribe for or purchase Shares comprised in the grant (as the case

may be).

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

(7) Other Events

If either:

- (i) the rights of conversion, exchange, purchase or subscription attaching to any options, rights or warrants to subscribe for or purchase Shares or any securities convertible into or exchangeable for Shares or the rights carried by such securities to subscribe for or purchase Shares are modified (other than pursuant to, and as provided in, the existing terms and conditions of such options, rights, warrants or securities); or
- (ii) the Issuer determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred to in any other provisions of this Condition 6(v)(a) which in either case have or would have an effect on the position of the Bondholders as a class compared with the position of the holders of all the securities (and options, rights and warrants relating thereto) of the Issuer, taken as a class, which is analogous to any of the events referred to in this Condition 6(v)(a)(1) to (6),

then in any such case, the Issuer shall at its own expense request an Approved Financial Adviser (acting as expert) to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination provided that where the circumstances giving rise to any adjustment pursuant to this Condition 6(v)(a) have already resulted or will result in an adjustment to the Conversion Price or where the circumstances giving rise to any adjustment arise by virtue of circumstances which have already given rise 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(v)(a) as may be advised by the Approved Financial Adviser (acting as expert) to be in their opinion appropriate to give the intended result.

(b) The provisions of Condition 6(v) shall not apply to:

- (1) an issue of fully paid Shares upon the exercise of any Conversion Right; and
- (2) a grant prior to the Initial Issue Date of options or rights, and an issue of Shares or other securities of the Issuer wholly or partly convertible into, or options or rights to subscribe for or acquire, Shares to directors, senior management, officers, employees of the Issuer or any of its Subsidiaries or other eligible persons, pursuant to a Share Option Scheme which has been or may be adopted in accordance with and in compliance with the Listing Rules (including a grant of options or rights, an issue of Shares by the Issuer to directors, senior management, officers or employees of the Issuer or any of its Subsidiaries or other eligible persons upon the exercise of the subscription right attached to the outstanding share options (if any) which

had been granted under the Share Option Scheme prior to the Initial Issue Date).

- (c) Any adjustment to the Conversion Price shall be made to the nearest one-tenth of a Hong Kong cent so that any amount under HK\$0.0005 shall be rounded down and any amount of HK\$0.0005 or more shall be rounded up.

7. UNDERTAKINGS

- (i) The Issuer has covenanted and undertaken that for so long as any Bond remains outstanding, save with the approval from the Bondholders or it is being considered by the Board that such action is in the ordinary course of business of the Group:
 - (a) the Issuer 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 allotment and issuance of the Conversion Shares and shall ensure that all Shares delivered on conversion of the Bonds will be duly authorised, validly issued as fully-paid, free from Encumbrances and non-assessable and registered in the name of the Bondholders or their respective nominee(s);
 - (b) the Issuer shall not modify the rights attaching to the Shares with respect to voting, dividends or liquidation nor issue any other class of ordinary share capital carrying any rights which are more favourable than the rights attaching to Shares but nothing in this Condition 7(i)(b) shall prevent (1) a consolidation or subdivision of the Shares or the conversion of any Shares into stock or vice versa, (2) a modification to the rights attaching to the Shares which is not, in the opinion of the Approved Financial Adviser, materially prejudicial to the interests of the Bondholders, (3) the conversion of Shares into, or the issue of any Shares in, uncertificated form (or the conversion of Shares in uncertificated form to certificated form), (4) the amendment of the constitutional documents of the Issuer to enable title to securities of the Issuer (including Shares) to be evidenced and transferred without a written instrument, (5) any other alteration to the constitutional documents of the Issuer made in connection with the matters described in this Condition 7(i) or which are supplemental or incidental to any of the foregoing (including amendments made to enable or facilitate procedures relating to such matters and amendments dealing with the rights and obligations of holders of securities (including Shares) dealt with under such procedures) or (6) any issue of equity share capital which (subject to the provisions of Condition 6(v)) results in an adjustment of the Conversion Price;
 - (c) the Issuer shall use its best endeavours to:
 - (1) maintain a listing for all the issued Shares on the Stock Exchange; and
 - (2) obtain a listing on the Stock Exchange for all the Conversion Shares;
 - (d) it will pay the expenses of the issue and delivery of, and all expenses of obtaining and maintaining the listing for, Shares arising on conversion of the Bonds;
 - (e) the Issuer shall ensure that all Conversion Shares shall be duly authorised and validly issued, fully paid and registered, and free from Encumbrances and all such Shares shall rank *pari passu* in all respects with the fully paid Shares in issue on the relevant Delivery Date and shall accordingly entitle the holders thereof to participate in full in all dividends or other distributions the record date for which

falls on a date on or after the relevant Delivery Date;

- (f) the Issuer shall comply with and procure the compliance of all conditions imposed by the Stock Exchange for approval of the issue of the Bonds or for the listing of and permission to deal in the Shares issued or to be issued on conversion and ensure the continued compliance thereof;
 - (g) the Issuer will notify the Bondholders in writing immediately upon becoming aware of the occurrence of any Event of Default or any event or circumstance which would, with the giving of notice and/or the lapse of time and/or the issuing of a certificate, become an Event of Default; and
 - (h) the Issuer shall at all times use its best endeavours to ensure that the minimum public float requirement of the Listing Rules is complied with and to take mitigating measures in case of any foreseeable events that there will be a breach of such requirement.
- (ii) The Issuer shall not (and shall procure that its Subsidiaries shall not) enter into any deed, agreement, assignment, instrument or documents whatsoever binding on it, take any action or omit to do anything necessary, which may result in any breach of the constitutional documents of the relevant member of the Group, or any of the terms and conditions of the Bonds, the Loan Capitalisation Agreement, and/or any other documents referred to in the Loan Capitalisation Agreement.
 - (iii) The Issuer shall not issue any further Equity Securities if and to the extent that such issuance will result in the Issuer being unable to comply with the adjustment provisions of Condition 6(v) and its obligations to deliver Conversion Shares or result in breach of the Listing Rules (including but not limited to the minimum public float requirement of the Listing Rules).
 - (iv) So long as there are outstanding Bonds, the Issuer will not, except with the prior consent of the Bondholders, issue any Equity Securities at a conversion price or exchange price which is lower than the then applicable Conversion Price.
 - (v) Unless so required by the Stock Exchange, the Listing Rules, applicable law or regulation or for the purpose of establishing any dividend or other rights attaching to the Shares, the Issuer shall not close the register of Shareholders of the Issuer or take any other action which would prevent the transfer of its Shares (including the Conversion Shares).
 - (vi) The Issuer shall, so far as permitted by applicable law and the Listing Rules, do all such further things as may be necessary to give effect to these Conditions and the Bonds.

8. PAYMENTS

(i) Method of Payment

Payment of principal and other payable under the Conditions will be made by transfer to the registered account of the Bondholder or by cashier order or cheque drawn on a bank in Hong Kong mailed to the registered address of the Bondholder if it does not have a registered account. Such payment will only be made after surrender of the relevant Certificate at the Designated Hong Kong Address.

If an amount which is due on the Bonds is not paid in full, the Issuer will annotate the

Register with a record of the amount (if any) in fact paid.

(ii) Registered Accounts

For the purposes of this Condition 8, a Bondholder's registered account means the United States dollar or Hong Kong dollar account maintained by or on behalf of it with a bank in Hong Kong, details of which appear on the Register at the close of business on the third (3rd) Business Day before the due date for payment (the "**Registered Account**") and a Bondholder's registered address means its address appearing on the Register at that time.

(iii) Fiscal Laws

All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 10 (Taxation).

No commissions or expenses shall be charged to the Bondholders in respect of such payments.

(iv) Payment Initiation

Where payment is to be made by transfer to a Registered Account, payment instructions of available fund (for value on the due date or, if that is not a Business Day, for value on the first following day which is a Business Day) will be initiated on the Business Day on which the relevant Certificate is surrendered at the Designated Hong Kong Address.

(v) Delay In Payment

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Business Day or if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

9. REDEMPTION, PURCHASE AND CANCELLATION

(i) Maturity

Upon the expiry of the initial 3-year tenor of the Bond, the Company shall have the sole discretion to extend the Maturity Date for another 6-month period by serving written notice to the Bondholders one Business Day before the Maturity Date. Unless previously converted or cancelled as provided herein, any part of the Bond which are not converted by the Bondholder during the Conversion Period shall be redeemed by the Company on the Maturity Date in cash by paying such redemption amount which equals to the entire principal amount of the Bond (or such outstanding part thereof, whichever shall be appropriate).

(ii) Cancellation

All Bonds which are converted by the Issuer will forthwith be cancelled and such Bonds may not be reissued or resold.

10. TAXATION

- (i) All payments made by or on behalf of the Issuer in respect of the Bonds shall be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied collected, withheld or assessed by or on behalf of the Cayman Islands, Hong Kong or any authority thereof or therein having power to tax (the “**Taxing Jurisdiction**”), unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.
- (ii) In such event, the Issuer shall pay such additional amounts (the “**Additional Tax Amounts**”) as will result in the receipt by the Bondholders of such amounts as would have been received by them had no such deduction or withholding been required, except to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the Taxing Jurisdiction otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond or where the withholding or deduction could be avoided by the holder making a declaration of non-residence or other similar claim for exemption to the appropriate authority which such holder is legally capable and competent of making but fails to do so.

References in these Conditions to principal shall be deemed also to refer to any Additional Tax Amounts which may be payable under this Condition.

11. EVENTS OF DEFAULT

If any of the following events (each an “**Event of Default**”) occurs and is continuing, the Bondholders at their discretion may give notice to the Issuer that the Bonds are, and they shall immediately become due and repayable at their principal amount (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6 (Conversion)):

- (i) Non-Payment

The Issuer fails to pay the principal or any other amount due in respect of the Bonds when due and the Issuer fails to rectify such failure within three (3) Business Days from the payment due date; or

- (ii) Failure to deliver Shares

Any failure by the Issuer to deliver any Shares as and when the Shares are required to be delivered following conversion of Bonds; or

- (iii) Breach of Other Obligations

The Issuer does not perform or comply with any one or more of its other obligations in the Bonds which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after written notice of such default shall have been given to the Issuer by the Bondholders; or

- (iv) Non-compliance

There has been any material breach of and non-compliance with any applicable law, rules or regulations, including the Listing Rules and the Takeovers Code, by the Issuer which will result in a Material Adverse Effect on the Group as a whole;

or

(v) Suspension in Trading

The Shares cease to be listed on the Stock Exchange or are suspended from trading on the Stock Exchange for a continuous period of 30 Trading Days due to the default of the Issuer, excluding any suspension in connection with the clearance of any announcement, circular or other documents pursuant to the Listing Rules or the Takeovers Code; or

(vi) Enforcement Proceedings

A distress, attachment, execution or other legal process is levied, enforced or sued out on or against any substantial part of the property, assets or revenues of the Issuer or any of its Subsidiaries and is not discharged or stayed within 30 days; or

(vii) Security Enforced

Any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Subsidiaries in respect of any substantial part of the property, assets or revenues of the Issuer or any of its Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person); or

(viii) Winding-up

An order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Issuer or any of its Subsidiaries (except for a members' voluntary solvent winding up of a Subsidiary), or the Issuer or any of its Major Subsidiaries (as defined below) ceases to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (a) on terms approved by the Bondholders, or (b) in the case of a Major Subsidiary, whereby the undertaking and assets of such Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries. For the purpose of this Condition 11(ix), "**Major Subsidiary**" means a Subsidiary whose aggregated total assets, profits or revenue represents 10% or more under any of the percentage ratios as defined under Chapter 14 of the Listing Rules; or

(ix) Insolvency

The Issuer or any of its Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops or suspends payment of all or a substantial part of its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts (or of any substantial part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of the debts of the Issuer or any of its Subsidiaries; an administrator or liquidator of the Issuer or any of its Subsidiaries or the whole or, in the reasonable opinion of the Bondholders, any substantial part of the assets and turnover of the Issuer or any of its Subsidiaries is appointed (or application for any such appointment is made); or

(x) Authorisation and Consents

Any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at anytime required to be taken, fulfilled or done in order (a) to enable the Issuer lawfully to exercise its rights and perform and comply with its obligations under the Bonds, (b) to ensure that those obligations are legally binding and enforceable and (c) to make the Bonds admissible in evidence in the courts of the Cayman Islands or Hong Kong is not taken, fulfilled or done; or

(xi) Illegality

It is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds; or

(xii) Analogous Events

Any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of this Condition 11(vii) (Enforcement Proceedings) to this Condition 11(xi) (Authorisations and Consents).

12. EXPERTS

In giving any certificate or making any adjustment to the Conversion Price, the Approved Financial Adviser appointed shall be deemed to be acting as an expert and not as arbitrators and, in the absence of manifest error, their decision shall be conclusive and binding on the Issuer and the Bondholders and all persons claiming through or under them respectively.

13. VOTING

- (i) The Bondholders shall not be entitled to receive notices of, attend or vote at any meetings of the Issuer by reason only of it being a holder of Bonds.
- (ii) So long as any Bond remains outstanding, the Bondholders shall be entitled to receive the following documents:
 - (a) the annual reports of the Issuer; and
 - (b) the interim reports of the Issuer.

14. AMENDMENT, MODIFICATION AND WAIVER

The terms and conditions of the Bonds may only be varied, modified, expanded or amended by agreement in writing between the Issuer and all the Bondholders. Any consent or approval in relation to the Bonds or any waiver or authorisation of any breach by the Issuer of the Bonds may only be effected after being sanctioned by agreement amongst all Bondholders.

15. NO WAIVER OF BONDHOLDER'S RIGHTS

No omission or delay by the Bondholder in exercising any rights under the Bonds shall operate as a waiver, and the single or partial exercise of any such right or rights shall not preclude any other further exercise of such right or rights.

16. NOTICES

(i) Notices under or in connection with these Conditions must be in writing.

(ii) Delivery

Notices to the Issuer must be delivered in person or sent by letter or by prepaid ordinary post (airmail if appropriate) to the Issuer at:

Address: Units 4004–5, 40th Floor, Cosco Tower, 183 Queen's Road Central, Hong Kong

Attention: The Board of Directors

or any substitute address in Hong Kong which the Issuer may notify to the Bondholders by not less than ten Business Days' notice.

Notices to the Bondholders must be:

- (a) left at their registered address;
- (b) sent by prepaid ordinary post (airmail if appropriate) to their registered address;
- (c) sent by email at the email address as may be provided by the Bondholders for the purpose of this Condition 16; or
- (d) given in any other way permitted by applicable laws.

For the purpose of this Condition 16, a Bondholder's registered address means its address appearing on the Register at that time.

However, if the intended recipient has notified the sender of a changed physical address or email address in writing, then the communication must be to that physical address or email address.

(iii) When effective

Notices take effect from the time such notices are received unless a later time is specified.

(iv) Receipt - post

If sent by post, they are taken to have been received three days after posting.

(v) Receipt - email

If sent by email, they are taken to have been received at the time upon successful delivery of at the email address of the relevant party.

(vi) Receipt - general

Notwithstanding Condition 16(iv) and Condition 16(v), if a notice is received after 5:00 p.m. in the place of receipt or on a non Business Day, it is taken to be received at 9:00 a.m. on the next Business Day.

17. REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Designated Hong Kong Address, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

18. ENFORCEMENT

The Bondholders may, at any time, at their discretion and without further notice, institute such proceedings against the Issuer as they may think fit to enforce the terms of the Bonds.

19. CONTRACTS (RIGHTS OF THIRD PARTIES) ORDINANCE

Save for the Issuer and the Bondholders, no person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Ordinance (Cap.623 of the Laws of Hong Kong).

20. GOVERNING LAW AND SUBMISSION TO JURISDICTION

(i) Governing Law

The Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, Hong Kong law.

(ii) Jurisdiction

With respect to any question, dispute, suit, action or proceedings arising out of or in connection with this Agreement ("**Proceedings**"), each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of Hong Kong; and
- (b) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party.

Nothing in this Agreement precludes either party from bring Proceedings in any other jurisdiction nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

(iii) Agent for Service of Process

The Subscriber or its subsequent assignee, if not having a Hong Kong address, will appoint an authorised representative in accordance with Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) to receive service of process in any Proceedings in Hong Kong based on any of the Bonds.

EXHIBIT A

FORM OF DEFINITIVE CERTIFICATE

On the front:

RISECOMM GROUP HOLDINGS LIMITED

(瑞斯康集團控股有限公司)

(incorporated under the laws of the Cayman Islands with limited liability)

HK\$[•] zero coupon convertible bonds with 3-year maturity

CERTIFICATE

Certificate No. [•]

This Certificate certifies that [•] of [•] (the “**Registered Holder**”) is, as at the date hereof, registered as the Registered Holder of HK\$[principal amount] of the Bonds referred to above (the “**Bonds**”) of RISECOMM GROUP HOLDINGS LIMITED (瑞斯康集團控股有限公司) (the “**Issuer**”). The Bonds are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon. Expressions defined in the Conditions have the same meanings in this Certificate.

The Issuer undertakes to perform and comply with the Conditions in accordance with the provisions of the Conditions.

For the purposes of this Certificate, (a) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the Registered Holder of the Bonds represented by this Certificate, (b) this Certificate is evidence of entitlement only, (c) title to the Bonds represented by this Certificate passes only on due registration on the Register, and (d) only the Registered Holder of the Bonds represented by this Certificate is entitled to payments in respect of the Bonds represented by this Certificate.

IN WITNESS whereof the Issuer has caused this Certificate to be signed on its behalf. Dated as of the Issue Date.

RISECOMM GROUP HOLDINGS LIMITED

By:

On the back:

Terms and Conditions of the Bonds

The Terms and Conditions that are set out in Schedule to the Loan Capitalisation Agreement will be set out here.

EXHIBIT B

FORM OF TRANSFER

RISECOMM GROUP HOLDINGS LIMITED

(瑞斯康集團控股有限公司)

(incorporated under the laws of the Cayman Islands with limited liability)

HK\$[●] zero coupon convertible bonds with 3-year maturity (the “**Bonds**”)

To: RISECOMM GROUP HOLDINGS LIMITED (瑞斯康集團控股有限公司) (the “**Issuer**”)

I am/We are the holder of HK\$_____ in aggregate principal amount of the Bonds issued by the Issuer, with Certificate number_____.

References in this Transfer Form to "Conditions" are to the terms and conditions on which the Bonds were issued, as may have been amended from time to time. Terms defined in the Conditions shall have the same meaning in this Transfer Form, save where the context otherwise requires.

For value received, we hereby transfer to:

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE) (the “**Transferee**”)

HK\$[●] principal amount of the Bonds registered in my/our name in the Register, and all rights under them.

Pursuant to Condition 4(ii)(b)(2), I/we hereby confirm that the Transferee is not a connected person (as defined under the Listing Rules) of the Issuer or an associate (as defined under the Listing Rules) of any connected person of the Issuer.

I/we hereby request that a Certificate in respect of the Bonds transferred (as referred to above) be issued to the person(s) whose name(s) and address(es) are set out above 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:

Name:

Address:

- (b) if no name and address are given in (a) above, be made available for collection at the Designated Hong Kong Address for the time being.

The Certificate in respect of the transferred Bonds is enclosed with this Transfer Form.

The registered account of the Transferee for the purposes of receipt of principal and any other amounts in respect of the Bonds is (unless otherwise instructed by the Transferee) as follows:

Bank:

Account Number:

Name of account holder:

Name of Transferor:

Signature of Transferor:

Name and capacity of authorised signatory of Transferor (if applicable):

Dated

Name of Transferee:

Signature of Transferee:

Name and capacity of authorised signatory of Transferee (if applicable):

Dated

Notes:

1. The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the Registered Holder of the Bonds or (if such signature corresponds with the name as it appears on the face of this Transfer Form) be certified by a notary public or a recognised bank, a commissioner of oaths, a solicitor, or be supported by such other evidence as the Issuer may reasonably require.
2. A representative of the Bondholder should state the capacity in which he signs e.g. executor.

EXHIBIT C

FORM OF CONVERSION NOTICE

RISECOMM GROUP HOLDINGS LIMITED

(瑞斯康集團控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

and HK\$[•] zero coupon convertible bonds with 3-year maturity

CONVERSION NOTICE

Date:[•]

To: RISECOMM GROUP HOLDINGS LIMITED (瑞斯康集團控股有限公司) (the "Issuer")

Re: Conversion Notice in relation to the HK\$[•] zero coupon convertible bonds with 3-year maturity (the "Bonds"), constituted by the Certificate(s) issued in respect of the Bond(s) with an aggregate principal amount of HK\$[•]

Dear Sirs,

I/We, being the holder of Bonds in the aggregate principal amount of HK\$[•], hereby deliver this Conversion Notice pursuant to Condition 6(i) of the Bonds and notify the Issuer of the exercise of the Conversion Rights set out in Condition 6 of the Bonds to convert such principal amount of the Bonds set out below at the prevailing Conversion Price set out below. Capitalised terms used herein shall, unless otherwise defined, have the same meanings as given to them in the terms and conditions of the Bonds.

1. Total principal amount and certificate numbers of Bonds to be converted:

Total principal amount:

Certificate numbers of Bonds:

N.B.: If necessary, the certificate numbers of Bonds attached need not be in consecutive serial numbers.

2. Conversion Price prevailing on the Conversion Date:

3. Total number of Shares to be issued:

4. Name(s) and address(es) of person(s) in whose name(s) the Shares required to be delivered on conversion are to be registered:

Name:

Address:

5. (A) The certificate for such Shares be delivered to the address of the following participant of the Central Clearing and Settlement System ("CCASS") operated by the Hong Kong Securities Clearing Company Limited:

Participation I.D. of the designated CCASS participant:

CCASS participants contact person:

CCASS participants contact telephone number and fax number: CCASS participants address for delivery of share certificates:

OR

- (B) I/We will collect the certificates for the Shares at the Designated Hong Kong Address (and, in the case of a corporate, our authorized person will produce to the Issuer evidence of his/her authorisation).

OR

- (C) I/We hereby request that the certificates for the Shares required to be delivered upon conversion be despatched or mailed (at my/our risk) to the person whose name and address is given below and in the manner specified below:

Name:

Address:

Manner of dispatch (if other than by ordinary mail):

6. I/We hereby request that a Certificate evidencing the Bond not so converted be issued in our name. [Please make the Certificate of the Bond available for my/our collection (and, in the case of a corporate, our authorised person will produce to the Issuer evidence of his/her authorisation).] [Please deliver or mail (at my/own risk) the Certificate of the Bond to my/our address.]
7. The Certificates representing the Bonds converted hereby accompany this Conversion Notice.

For and on behalf of:
[name of the Bondholder]

Signature
Name of authorised person: [•]

Notes:

- (a) A representative of the holder of the Bonds should state the capacity in which he signs this Conversion Notice, e.g. executor.
- (b) The signature of the person authorized by a corporate Bondholder signing this Conversion Notice shall provide evidence of his/her authorisation, when the Conversion Notice is delivered to the Issuer.

Execution Page(s)

IN WITNESS whereof the Parties have duly executed this Agreement the day and year first above written.

The Subscriber

SIGNED by **NING JUN** (寧軍) (holder of)
Passport No. EC4362546), whose signature is)
verified by / in the presence of:)
by / in the presence of:) _____

Signature of witness: _____

Name of witness: _____

The Issuer

SIGNED by)

)

its director(s) / authorised signature(s) (duly)

authorised by resolution of the board of)

directors) for and on behalf of **RISECOMM**)

GROUP HOLDINGS LIMITED (瑞斯康集團控)

股有限公司) whose signature(s) is/are verified)

by / in the presence of:)

Signature of witness: _____

Name of witness: _____