

DATED 2 March 2022

FEIYANG INTERNATIONAL HOLDINGS GROUP LIMITED
(飛揚國際控股(集團)有限公司)
(as the “Company”)

AND

SILVERBRICKS SECURITIES COMPANY LIMITED
(元庫證券有限公司)
(as the “Underwriter”)

UNDERWRITING AGREEMENT

in relation to the proposed Rights Issue of up to 200,000,000 Rights Shares
at HK\$0.5 per Rights Share payable in full on acceptance
(in the proportion of one (1) Rights Share
for every three (3) existing Shares held on the Record Date)

CONTENTS

1.	DEFINITIONS.....	2
2.	CONDITIONS.....	6
3.	RIGHTS ISSUE.....	7
4.	UNDERWRITING.....	8
5.	ALLOTMENT AND ISSUE.....	11
6.	REMUNERATION AND EXPENSES.....	12
7.	REPRESENTATIONS, WARRANTIES AND INDEMNITIES.....	13
8.	TERMINATION AND FORCE MAJEURE.....	19
9.	ANNOUNCEMENTS.....	21
10.	STOCK EXCHANGE LISTINGS AND ANNOUNCEMENTS.....	21
11.	SUCCESSORS AND ASSIGNEES.....	21
12.	NOTICES.....	21
13.	TIME.....	22
14.	GOVERNING LAW.....	22
15.	COUNTERPARTS.....	22
16.	FURTHER ASSURANCE.....	22
17.	SEVERABILITY.....	22
18.	RIGHTS OF THIRD PARTIES.....	22
	EXHIBIT A.....	26

THIS AGREEMENT (the "Agreement") is made on the 2nd day of March 2022.

BETWEEN

- (1) **FEIYANG INTERNATIONAL HOLDINGS GROUP LIMITED (飛揚國際控股(集團)有限公司)**, a company incorporated in the Cayman Islands as an exempted company with limited liability, whose registered office is located at Suite #4-210, Governors Square, 23 Lime Tree Bay Avenue, PO Box 32311, Grand Cayman KY1-1209, Cayman Islands and whose principal place of business is situated at Room 4/F, Wah Yuen Building, 149 Queen's Road Central, Hong Kong (the "Company"); and
- (2) **SILVERBRICKS SECURITIES COMPANY LIMITED (元庫證券有限公司)**, a company incorporated in Hong Kong with limited liability (SFC Central Entity Number: BLN458) and whose registered office is situated at Units 1005-1006, 10/F., Shun Tak Centre, China Merchants Tower, 168-200 Connaught Road Central, Sheung Wan, Hong Kong (the "Underwriter").

WHEREAS

- (A) The Company is an exempted company with limited liability in Cayman Islands, whose shares are listed and traded on the main board of the Stock Exchange (as defined herein below) (stock code: 1901). As at the date hereof, the Company has an authorised share capital of HK\$100,000,000 divided into 10,000,000,000 Shares (as defined herein below) of HK\$0.01 each, of which 600,000,000 Shares have been issued and are fully paid or credited as fully paid.
- (B) The Company has determined by resolution of its board of directors to approve the Rights Issue (as defined herein below) and to offer the Rights Shares (as defined herein below) for subscription by way of rights to the Qualifying Shareholders (as defined herein below) at the Subscription Price payable in full on acceptance or otherwise on the terms and subject to the conditions set out in this Agreement and the Prospectus (as defined herein below). The Rights Issue will raise approximately HK\$100 million before expenses.
- (C) The Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.
- (D) Application shall be made by the Company to the Listing Committee of the Stock Exchange for listings of, and permissions to deal in, the Rights Shares in their nil-paid and fully-paid forms.
- (E) The Underwriter has agreed to subscribe for, or procure the subscription for, on a best effort basis, the Underwritten Shares on the terms and subject to the conditions set out in this Agreement.

NOW IT IS HEREBY AGREED as follows: -

1. DEFINITIONS

1.1 In this Agreement including the Recitals, unless the context otherwise requires, the following expressions have the following meanings:

“Allotment Posting Date”	22 April 2022 or such other date as may be agreed between the Company and the Underwriter in writing;
“Announcement”	the announcement to be made by the Company concerning the Rights Issue substantially in the form of the draft annexed hereto as Exhibit A subject to such amendments as the Company and the Underwriter may agree;
“associate(s)”	has the meaning ascribed thereto in the Listing Rules;
“Audited Accounts Date”	31 December 2020;
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon;
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;
“CCASS Underwritten Shares”	the Underwritten Shares which the Underwriter requests the Company to deposit into CCASS pursuant to Clause 4.5(c);
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented and modified from time to time;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented and modified from time to time;
“Conditions Precedent”	the conditions set out in Clause 2.1 of this Agreement;
“Excess Application	the form(s) of application for use by the Qualifying

Form(s)	Shareholders who wish to apply for excess Rights Shares, in such usual form as may be agreed between the Company and the Underwriter;
“Excluded Shareholder(s)”	Overseas Shareholder(s) whom the directors of the Company, based on the enquiry made or legal advice obtained, consider it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place;
“Final Acceptance Date”	12 April 2022 or such later date as may be agreed in writing between the Company and the Underwriter and described as the latest date for acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares in the Prospectus Documents;
“Group”	the Company and the Subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Latest Time for Termination”	4:00 p.m. on 13 April 2022, being the following Business Day after the Final Acceptance Date, or such later time or date as may be agreed between the Company and the Underwriter in writing, being the latest time to terminate this agreement;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong;
“PRC”	The People’s Republic of China, which for the purpose of this Agreement, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Prospectus”	the prospectus to be despatched to the Shareholders

	containing the details of the Rights Issue in such form as may be agreed between the Company and the Underwriter;
“Prospectus Documents”	the Prospectus, the Provisional Allotment Letter and the Excess Application Form;
“Prospectus Posting Date”	28 March 2022 or such other date as may be agreed in writing between the Underwriter and the Company, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Excluded Shareholders;
“Provisional Allotment Letter(s)”	the provisional allotment letter(s) to be used in connection with the Rights Issue in such form as may be agreed between the Company and the Underwriter;
“Qualifying Shareholders”	the Shareholder(s) other than the Excluded Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date;
“Record Date”	25 March 2022 or such later date as may be agreed between the Company and the Underwriter in writing for the determination of the entitlements under the Rights Issue;
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong;
“Rights Issue”	the proposed issue by way of rights on the basis of one (1) Rights Share for every three (3) existing Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to conditions herein and is more particularly described in the Announcement and the Prospectus Documents;
“Rights Shares”	new Shares to be allotted and issued pursuant to the Rights Issue as referred to in Clause 3 on the basis of one (1) Rights Share for every three (3) existing Shares in issue on the Record Date, being up to 200,000,000 new Shares;
“SFC”	the Securities and Futures Commission of Hong Kong;
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each

	in the share capital of the Company;
“Shareholder(s)”	holder(s) of issued Shares;
“Specified Event”	an event occurring or matter arising on or after this Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date hereof would have rendered any of the warranties and/or undertakings contained in the relevant provision of this Agreement untrue or incorrect in any material respect;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the subscription price of HK\$0.50 per Rights Share;
“Subsidiaries”	the subsidiaries of the Company within the meaning of section 15 of the Companies Ordinance and entities that are deemed to be subsidiaries of the Company through contractual arrangements, save that any reference therein to a company shall be deemed to include a reference to a body corporate incorporated or established outside Hong Kong or under any other ordinance and to any unincorporated body of persons of the Company from time to time;
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs of the SFC;
“Underwritten Shares”	such number of untaken Rights Shares to be underwritten by the Underwriter on a best effort basis, pursuant to the terms of this Agreement;
“Untaken Shares”	the Underwritten Shares for which duly completed Provisional Allotment Letters or Excess Application Forms (accompanied by cheques or banker’s cashier orders for the full amount payable on application which are honoured on first or, at the option of the Company, subsequent presentation) have not been lodged for acceptance, or received, as the case may be, on or before 4:00 p.m. on the Final Acceptance Date;
“Verification Notes”	the verification notes to be prepared by Fangda Partners, legal adviser to the Company as to Hong Kong laws in relation to the Prospectus; and
“%”	per cent.

- 1.2 References to the singular number include the plural and vice versa and references to one gender include every gender.
- 1.3 References to Clauses, Exhibits and Recitals are to clauses, exhibits and recitals to this Agreement.
- 1.4 References in this Agreement to time are to Hong Kong time.

2. CONDITIONS

- 2.1 The obligations of the Underwriter under this Agreement are conditional on:
- (a) the passing of all necessary resolution(s) by the board of directors of the Company to approve the Rights Issue;
 - (b) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two directors of the Company (or by their attorneys or agents duly authorised in writing) in accordance with section 342C of the Companies (WUMP) Ordinance as having been approved by resolutions of the directors of the Company (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules, the Companies Ordinance and the Companies (WUMP) Ordinance not later than the Prospectus Posting Date;
 - (c) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date;
 - (d) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms) by no later than the first day of dealings in the nil-paid Rights Shares (or such other date as may be agreed between the Company and the Underwriter in writing), and such listing and permission not being withdrawn or revoked prior to the Latest Time for Termination;
 - (e) each condition to enable the Rights Shares (in their nil-paid and fully-paid forms) to be admitted as eligible securities for deposit, clearance and settlement in CCASS (other than the listing approval) having been satisfied not later than the Business Day prior to the first day of dealings in the nil-paid Rights Shares as set out in the Prospectus and no notification having been received by the Company from Hong Kong Securities Clearing Company Limited by such date that such admission or facility for holding and settlement has been or is to be refused;
 - (f) the Shares remaining listed on the Stock Exchange at all times prior to the Latest Time for Termination and the current listing of the Shares not having

been withdrawn and no indication being received before the Latest Time for Termination from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of this Agreement or for any other reason;

- (g) this Agreement not being terminated by the Underwriter pursuant to the terms thereof prior to the Latest Time for Termination;
- (h) compliance with and performance by the Company of all undertakings and obligations under the terms of this Agreement by the times specified; and
- (i) all relevant consents and approvals having been obtained from all relevant governmental and regulatory authorities (where applicable) as the case may require in connection with the Rights Issue by the relevant time that such consents and approvals are required and such consents and approvals not being withdrawn or revoked prior to the Latest Time for Termination;

and the Conditions Precedent as set out in (a), (b), (c), (d), (e), (f), (g) and (i) (where applicable) are incapable of being waived. In the event of the said Conditions Precedent not being fulfilled or waived on or before the respective dates aforesaid, or if no time or date is specified, no later than 13 April 2022 or such later date or dates as may be agreed between the Company and the Underwriter in writing, this Agreement may be rescinded by the Underwriter, in which case Clause 8.2 shall apply.

- 2.2 The Company agrees to use its reasonable endeavours to procure fulfilment of all the Conditions Precedent mentioned in Clause 2.1 and to do all such other acts and things as may be required to carry into effect the Rights Issue. The Underwriter shall give the Company all necessary assistance in this connection.

3. RIGHTS ISSUE

- 3.1 Subject to fulfilment of the Conditions Precedent set out in Clause 2.1:

- (a) the directors of the Company (or a duly established and authorised committee thereof) shall, on or before the Record Date, pass resolution to provisionally allot the Rights Shares nil-paid to the Qualifying Shareholders in the proportion of one (1) Rights Share for every three (3) existing Shares held on the Record Date, save as the Rights Shares which, but for this Clause 3, would be provisionally allotted to the Excluded Shareholders, shall be dealt with as mentioned below and that no fractions of Rights Shares shall be allotted;
- (b) the Company shall, on the Prospectus Posting Date, post the Prospectus marked "**For information only**" and a letter in agreed form explaining the circumstances in which the Excluded Shareholders are not permitted to participate in the Rights Issue, without the Provisional Allotment Letter and the Excess Application Form, to the Excluded Shareholders (if any);
- (c) no fractions of Rights Shares shall be allotted and the Company shall sell any Rights Shares created from the aggregation of fractions of Rights Shares in

nil-paid form (if a net premium can be obtained therefor) and the net proceeds of sale (after deducting the expenses of sale, if any) shall be retained for the benefit of the Company; and

- (d) the Company shall make available for subscription of the Rights Shares by the Qualifying Shareholders, by means of Excess Application Forms, for:
- (i) any unsold entitlements to the Rights Shares of the Excluded Shareholders had they been Qualifying Shareholders pursuant to Clause 3.1(b);
 - (ii) aggregation of fractions of Rights Shares which are not sold pursuant to Clause 3.1(c); and
 - (iii) any nil-paid Rights Shares provisionally allotted but not validly accepted by the Qualifying Shareholders (including but not limited to non-acceptance prior to the Final Acceptance Date) or otherwise not subscribed for by renouces or transferees of nil-paid Rights Shares.

Application may be made by completing the Excess Application Form for excess Rights Shares and lodging the same with a separate remittance for the excess Rights Shares being applied for. The board of directors of the Company will allocate the excess Rights Shares at its discretion on a pro-rata basis in proportion to the number of excess Rights Shares being applied for under each application. No preference will be made to the Rights Shares subscribed through applications by Provisional Allotment Letter(s) or the existing number of Shares held by Qualifying Shareholders. No preference will be given to top up odd lots to whole board lots.

3.2 Within two (2) Business Days from the date of despatch of the Prospectus Documents (or at such other time the Underwriter may agree in writing), the Company shall deliver to the Underwriter:

- (a) a certified copy of the resolutions referred to in Clause 3.1(a) of this Agreement;
- (b) letter(s) from the auditors or reporting accountants of the Company, as appropriate, addressed to the Company reporting on or confirming the pro forma net tangible asset value of the Group, and where necessary, sufficiency of working capital of the Group, indebtedness statement and other financial information if and as required by the Stock Exchange to be contained in the Prospectus and consenting to the issue of the Prospectus with the inclusion of their names and the references thereto in the form and context in which they are included; and
- (c) the Verification Notes relating to the Prospectus duly signed by or on behalf of the Directors.

4. UNDERWRITING

4.1 Subject to the provisions of this Agreement, if and to the extent that at 4:00 p.m. on the Final Acceptance Date, there shall remain any of the Untaken Shares (subject as provided in Clauses 2 and 9), then the Underwriter shall, on best effort basis and subject to and in accordance with the provisions of Clause 4.3, subscribe or procure subscribers

("Subscribers") for the same on terms of the Prospectus Documents save as regards the time for acceptance and payment.

- (a) The Underwriter and/or the Subscribers shall pay or procure to be paid to the Company the amount due on acceptance in respect thereof (for the Underwriter, less the amount of underwriting commission, fees and expenses payable to the Underwriter in accordance with Clause 6) by way of banker's draft or cashier's order drawn on a licensed bank in Hong Kong or by way of bank transfer.
 - (b) The Company hereby agrees, confirms and undertakes with the Underwriter to accept the payment directly from the Subscribers ("**Subscribers Payment**") as the respective Subscribers may request and shall arrange the issuance of Rights Shares ("**Subscribers Issuance**") directly with the Subscribers as the respective Subscribers may request and shall send confirmation of the Subscribers Payment and the Subscribers Issuance to the Underwriter for the aggregation of the subscription amount as procured by the Underwriter. The Underwriter shall have no responsibility of the Subscribers Payment and the Subscribers Issuance and the Company agrees and confirms if any of the Subscribers defaults in any of its payment obligations, such Subscribers shall be solely liable for the payment.
 - (c) The Company hereby agrees, confirms and undertakes with the Underwriter to accept applications on Excess Application Forms which shall have been submitted in accordance with the terms and conditions set out in the Prospectus Documents before calling on the Underwriter to perform its obligations imposed by this Clause 4.1.
- 4.2 In acting as agent of the Company hereunder, the Underwriter shall comply fully with all relevant laws and regulations and shall not do or omit anything the doing or omission of which shall or might cause the Company or any of its directors to be in breach of any relevant laws and regulations, and in particular, but without prejudice to the generality of the foregoing, shall ensure that all offers made by them of the Rights Shares are made only in compliance with all relevant securities legislation and do not require the registration of the Prospectus Documents or any of them or any other document as a prospectus or otherwise in any jurisdiction other than Hong Kong and the Underwriter shall not make or purport to make on behalf of the Company any representation or warranty not contained in the Prospectus Documents herein. In the event that the Underwriter appoints and/or engages any sub-underwriter, it shall ensure such sub-underwriter(s) to comply with and to be bound by the terms of this Agreement and shall be liable to the acts of such sub-underwriter(s).
- 4.3 The Underwriter undertakes to the Company that in the event of it being called upon to subscribe for or procure subscribers for the Untaken Shares pursuant to Clause 4.1:
- (a) it shall use its best endeavours to procure that each of the subscribers of the Untaken Shares procured by it (including any direct and indirect sub-underwriters) shall be third party independent of, not acting in concert with and not connected with the directors, chief executive or substantial shareholders of the Company (within the meaning of the Listing Rules) or any of its subsidiaries and their respective associates;

- (b) it will procure each and any of the subscribers of the Untaken Shares procured by it (including any direct and indirect sub-underwriters) not to, together with any party acting in concert (within the meaning of the Takeovers Code) with it or its associates, hold thirty per cent (30.0%) or more of the voting rights of the Company immediately upon completion of the Rights Issue;
- (c) it will underwrite solely on a best effort basis, and not in a fully underwritten basis. In any event, it will not underwrite to the extent, together with any party acting in concert (within the meaning of the Takeovers Code) or its associates, hold thirty per cent (30.0%) or more of the voting rights of the Company immediately upon completion of the Rights Issue; and
- (d) in the event that there is insufficient public float of the Company within the meaning of the Listing Rules immediately upon completion of the Rights Issue solely because of the Underwriter's performance of its obligations pursuant to Clause 4.1, it agrees to take such appropriate steps together with the other sub-underwriters as may be reasonably required to maintain the minimum public float for the Shares in compliance with Rule 8.08(1) of the Listing Rules.

4.4 The Company undertakes to keep the Underwriter regularly, informed of the number of Rights Shares validly accepted or applied for during the period up to 4:00 p.m. on the Final Acceptance Date on a daily basis and shall notify the Underwriter in writing as soon as practicable thereafter of the total number of the Untaken Shares (if any) (and in any event not later than 4:00 p.m. on the Business Day immediately following the Final Acceptance Date), and the Underwriter shall, if there exist any Untaken Shares, subscribe on best effort basis or procure subscribers as aforesaid and pay or procure the payment of the aggregate Subscription Price in respect thereof, less any amount payable to the Underwriter pursuant to Clause 6 to the Company in immediately available funds, by not later than 4:00 p.m. on the Allotment Posting Date subject to and in accordance with Clause 4.3.

4.5 The Untaken Shares dealt with as provided in Clauses 4.1 and 4.3 shall be duly allotted and issued and either:

- (a) the allottees thereof shall be duly entered on the register of members of the Company in respect of the Rights Shares so allotted and certificates in respect thereof shall be issued in such names and in such denominations as the Underwriter may reasonably require and the same shall be delivered to the Underwriter or as they may direct by not later than 4:00 p.m. on the Allotment Posting Date; or
- (b) the allottees thereof shall be duly entered on the register of members of the Company in respect of the Rights Shares so allotted and certificates in respect thereof shall be issued under the name of the Subscribers and the same shall be delivered to the Subscribers or as they may direct by not later than 4:00 p.m. on the Allotment Posting Date; or
- (c) in respect of those Untaken Shares which the Underwriter requests the Company to deposit into CCASS, the Company shall credit to the Underwriter's or the Underwriter's nominee's account with CCASS and provide sufficient evidence or confirmation of the same to the Underwriter. If

any of the CCASS Underwritten Shares is not accepted into CCASS by the Allotment Posting Date, certificates in respect of such CCASS Underwritten Shares shall be issued in respect thereof on the basis set out in Clause 4.5(a).

and following completion of these arrangements, all obligations and liabilities of the Underwriter under this Agreement shall cease.

- 4.6 The Underwriter shall not be responsible for any loss or damage to any person arising from any such transaction which is carried out in accordance with Clause 4.2 or from any alleged insufficiency of any dealing price at which any of the Underwritten Shares in their nil-paid form may be sold or for the timing of any such sale except in so far as any such loss or damage arises from the breach by any of the Underwriter of its obligations under this Agreement or the negligence, default, omission or fraud of the Underwriter or any sub-underwriter(s) or agent(s) appointed by them. For the avoidance of doubt, all transactions carried out (other than the obligation to subscribe or procure subscription for any Underwritten Shares pursuant to Clauses 4.1 and 4.3) pursuant to this Clause 4 shall constitute a transaction carried out at the request of the Company and as its agent and not in respect of the Underwriter's own account.
- 4.7 The Underwriter shall procure that all necessary consents are obtained from the subscribers and/or sub-underwriters to be procured or appointed by the Underwriter, if any, where applicable, for the publication of its identity as may be required by the Stock Exchange or SFC, and shall use its best endeavours to ensure that such information is available for incorporation in the announcements or circulars or prospectus relating to this Underwriting Agreement and the transactions contemplated herein to be required to be issued by the Company in accordance with the Listing Rules.
- 4.8 For the avoidance of doubt, while it is subject to the fulfilment and/or waiver (where applicable) for the Conditions Precedent set out in Clause 2.1 of this Agreement for the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that there is an under-subscription of the Rights Issue for the Rights Shares, the occurrence of Untaken Shares that has not been subscribed or procured to be subscribed by the Underwriter and/or Qualifying Shareholders by means of Excess Application Form, the Company will not issue such Rights Shares that remain not taken and the size of the Rights Issue will be reduced accordingly.

5. ALLOTMENT AND ISSUE

- 5.1 Subject to the fulfilment or waiver of the Conditions Precedent (as the case may be), and as soon as reasonably practicable following the determination of the basis of allocation of the Rights Shares and performance by the Underwriter of its obligations under Clause 4 (if called upon to do so), the Company shall duly allot and issue the Rights Shares validly accepted or validly applied for as soon as practicable after the Final Acceptance Date, but not later than 4:00 p.m. on the Allotment Posting Date (or such later date as agreed by the Company and the Underwriter in writing), and shall issue and deliver certificates for the Rights Shares to the respective subscribers in accordance with the terms of the Prospectus Documents. The Company shall also procure that the names of the successful subscribers of the Rights Shares (or, where appropriate, HKSCC Nominees Limited) shall be entered in the register of members of the Company as holders of the appropriate number of Rights

Shares.

- 5.2 The Untaken Shares taken up by the Underwriter on best effort basis or for which it has procured subscribers as provided in Clause 4, shall be duly allotted and issued with certificates in respect thereof and in the manner as provided in Clause 4.5. For the avoidance of any doubt, the Underwriter has no responsibility of the allotment and issue as provided in Clause 4.5(b).

6. REMUNERATION AND EXPENSES

- 6.1 In consideration of the Underwriter's services and provided the Rights Issue and this Agreement shall have become unconditional and the Rights Issue shall have been completed in accordance with its terms and the Underwriter shall have fulfilled all its material obligations hereunder (whether or not the Underwriter is called upon to subscribe or procure subscribers for the Untaken Shares pursuant to Clause 4), the Company shall pay to the Underwriter:
- (a) an underwriting commission in an amount equivalent to 2.5% of the aggregate subscription amount in respect of such Rights Shares actually subscribed and/or procured by the Underwriter and/or its sub-underwriters; and
 - (b) all reasonable out-of-pocket expenses, incurred by the Underwriter in connection with the Rights Issue and its associated transactions.
- 6.2 The Underwriter shall be at liberty to deduct the amount payable by the Company pursuant to Clause 6.1 (together with the advisory fees in relation to the Rights Issue, if any) but in the event that the said amount is not discharged by deduction as aforesaid, the same shall be paid by the Company to the Underwriter within five (5) Business Days after the Final Acceptance Date. Out of the said amount, the Underwriter shall pay their own sub-underwriting commission (if any) that they may incur in respect of the Rights Issue.
- 6.3 The Company shall within five (5) Business Days after the Final Acceptance Date pay all other reasonable costs, charges and expenses howsoever of or incidental to the Rights Issue and the arrangements hereby contemplated including printing and translation charges, capital duty, the fees and disbursements of the Company's auditors, solicitors, registrars and receiving bankers to the Rights Issue (if any) and the fees payable to the Stock Exchange and the Registrar of Companies in connection with the Rights Issue. The Company shall forthwith upon request by the Underwriter reimburse the Underwriter for any such documented expenses as are referred to above which the Underwriter may have properly paid or incurred on behalf of the Company.
- 6.4 The Company shall bear its own legal fees, accountancy and other professional fees, the Registrar's fees, the cost of printing and distributing the Announcement and the Prospectus Documents and all other costs, charges and expenses relating to the issue of the Rights Shares and associated transactions (including, without limitation, all fees payable to the Stock Exchange in connection with the listing of the Rights Shares).

7. REPRESENTATIONS, WARRANTIES AND INDEMNITIES

7.1 The Company hereby represents, warrants and undertakes to the Underwriter that, subject as provided herein:

- (a) recitals to this Agreement are true and accurate in all material respects;
- (b) the information relating to the Group supplied to the Underwriter by the Company or its advisers for the purpose of the Rights Issue has been prepared after due and proper consideration, is fair and reasonable and represents reasonable expectations based on assumptions referred to therein and facts known to the Company and such assumptions are fair and reasonable and there are no other material assumptions on which such information is based (other than the assumptions referred to therein);
- (c) all statements of fact contained or to be contained in the Prospectus Documents and the Announcement (other than those made by the Underwriter) are or shall when made be true and accurate in all material respects and are not or shall not be misleading in any material respect and shall not, in the absolute opinion of the Underwriter, be materially adverse to the success of the Rights Issue and there are no facts, which are known or on reasonable enquiry could have been known to the Company and which have not been disclosed to the Underwriter and shall not be disclosed in the Announcement and the Prospectus Documents, the omission of which could make any statement in the Announcement and the Prospectus Documents misleading in a material respect or which in the context of the Rights Issue are material for disclosure therein;
- (d) the statements and the expressions of opinion, intention and expectation of the Company to be contained in the Announcement and the Prospectus Documents or in the documents referred to therein have been, or shall be, made after due and proper consideration, are fair and reasonable and based on facts known to the Company and shall not contain, anything which, in the absolute opinion of the Underwriter, is materially adverse to the success and the extent of subscription of the Rights Issue;
- (e) all information necessary for the purpose of, or in the course of preparation of, the Announcement and the Prospectus Documents, and the replies to the Verification Notes, or which ought reasonably to have been disclosed or made available to its legal advisers (if any) fully, fairly and accurately and the replies to the Verification Notes (which will be prepared or approved by persons having appropriated knowledge and responsibility to enable them properly to provide such replies) given by the Company and the Directors will be true, accurate, complete and not misleading in all material respects and will contain all material information and particulars with regard to the subject matter thereof;
- (f) the Announcement and the Prospectus Documents shall contain all material particulars required to comply with all Hong Kong statutory and other provisions so far as applicable and the requirements of the Stock Exchange, and the issue of the Rights Shares in accordance with the Prospectus Documents shall comply with the Companies (WUMP) Ordinance, the Listing Rules, the

Takeovers Code, the requirements of the Stock Exchange and all other relevant regulations in Hong Kong and the Cayman Islands and shall not involve any breach of or default under any agreement, trust deed or instrument to which any company in the Group is a party;

- (g) subject to fulfilment of the Conditions Precedent set out in Clause 2.1, the Company has power under its bye-laws to, and has taken all necessary corporate or other action to enable it to, enter and perform its obligations under this Agreement and to make the Rights Issue, to allot and issue the Rights Shares and to deal with the Rights Shares attributable to the Overseas Shareholders as may be specified in the Prospectus Documents and no other consents, actions, authorisations or approvals are necessary to enable or authorise it to do any of the aforesaid;
- (h) the obligations of the Company contained in this Agreement constitute the legal, valid and binding obligations of each of them respectively enforceable in accordance with the terms herein;
- (i) the returns for taxation purposes, which ought to have been made by or in respect of each of the companies in the Group in Hong Kong and any other part of the world, have been duly made and there are no circumstances known to any company in the Group or any of their respective directors, after making due and careful enquiry, which would be the occasion of any such dispute which is material, and all such returns are in all material respects up to date, correct and on a proper basis and are not the subject of any material dispute with the relevant revenue or other appropriate authorities;
- (j) the Company shall have available for issue sufficient Shares to permit to be issued pursuant to the Rights Issue;
- (k) save as to the disclosures made by the Company on the websites of the Stock Exchange and the Company and information and facts that have been disclosed to the Underwriter in connection with the Rights Issue, there has been no adverse change or any development in the financial condition, or operations or prospects of any company in the Group since the Audited Accounts Date which would be considered material in the context of the Rights Issue;
- (l) there are existing valid policies of insurance against liabilities, risks and losses against which it is normal or prudent to insure in all material respect of property and assets owned by and businesses carried on by the companies in the Group and nothing has been done or has been omitted to be done whereby any of the said policies has or would become void or is likely to be avoided;
- (m) each of the companies in the Group is duly incorporated in and under the laws of its place of incorporation and has full power and authority to conduct its business as now carried on;
- (n) save as to the disclosures made by the Company on the websites of the Stock Exchange and the Company and information and facts that have been disclosed to the Underwriter in connection with the Rights Issue, each of the companies in the Group has since the respective dates to which the latest audited accounts of such

companies were made up to (where applicable) carried on business in the ordinary and usual course and since such date, has not entered into any material contracts or commitments of an unusual or onerous nature;

- (o) save as to the disclosures made by the Company on the websites of the Stock Exchange and the Company and information and facts that have been disclosed to the Underwriter in connection with the Rights Issue, no company in the Group has any capital commitment which is material in the context of the Group as a whole other than arising in the ordinary course of its business;
- (p) save as to the disclosures made by the Company on the websites of the Stock Exchange and the Company and information and facts that have been disclosed to the Underwriter in connection with the Rights Issue, no litigation or arbitration proceedings involving any company in the Group which is material in the context of the Group as a whole are in progress or are threatened or pending, nor (a) are there circumstances known to any of the companies in the Group or any of their respective directors which are likely to give rise to any such litigation or arbitration proceedings, or (b) is there, so far as the Company is aware, any claim or fact likely to give rise to any claim which in any such case may have or has had a material adverse effect on the financial position of the Company and its subsidiaries taken as a whole or which may have or has had a material adverse effect in the context of the Rights Issue;
- (q) save as to the disclosures made by the Company on the websites of the Stock Exchange and the Company and information and facts that have been disclosed to the Underwriter in connection with the Rights Issue, no circumstance has arisen such that any person is now or shall be entitled (or would with the giving of notice be entitled) to require payment of any material indebtedness, or guarantee or indemnity of any liability, of any company in the Group which is material in the context of the Group as a whole by reason of default or otherwise by any such company or any other person or otherwise;
- (r) no order has been made and no resolution has been passed for the winding up of, or for a provisional liquidator to be appointed in respect of, the Company or any of its subsidiaries, and no petition has been presented and no meeting has been convened for the purpose of winding up any of the same; no receiver has been appointed in respect of the Company or any of its subsidiaries or all or any of its assets;
- (s) the Company shall take all reasonable steps as may be necessary to procure that listings of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms are granted by the Stock Exchange in all cases prior to 30 March 2022, being the expected date of commencement of dealings in the Rights Shares in nil-paid form (or such other date as may be agreed between the Company and the Underwriter in writing) and not thereafter revoked including (without limitation) by procuring that all relevant applications, documents and information, in an appropriate form, are submitted or provided to the Stock Exchange;
- (t) the Rights Shares, when allotted and issued, shall be issued free from all liens, charges, encumbrances and third party rights, interests or claims of any nature

whatsoever, and when fully paid, shall rank *pari passu* in all respects with the Shares then in issue, including as to the right to receive all dividends and distributions which may be declared, made or paid on or after the date of allotment of the Rights Shares;

- (u) the Prospectus Documents shall contain all information with regard to the Group which is or would be material for disclosure to a potential holder of the Rights Shares to enable it to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Group and of the rights attaching to the Rights Shares;
- (v) between the date hereof up to and including the Record Date, the Company shall not (a) issue any Shares; (b) issue or grant any options or other securities convertible into, exchangeable for or which carry rights to acquire Shares; or (c) buy back any Shares;
- (w) all written information relation to the Group supplied by the Company to the Underwriter for the purposes of the Underwriter's review of the working capital projections of the Group is, or will be when so supplied, accurate in all material respects and is not by itself or by omission misleading in material aspects;
- (x) the audited consolidated accounts of the Group as at the Audited Accounts Date, the audited consolidated profit and loss account of the Group for the financial year ended on such date (including the notes thereto) were prepared in accordance with the applicable law and on a basis consistent with that adopted in preparing the audited accounts for the previous two financial years in accordance with accounting principles, standards and practices generally accepted in Hong Kong so as to give (except to the extent (if any) disclosed therein) a true and fair view of the state of affairs of the Group as at the relevant dates and the profit or loss of the Group for the relevant financial periods; and contain full provisions as at Audited Accounts Date, including but not limited to all actual liabilities, proper provision for all material contingent liabilities and adequate provision for doubtful debts of the Group; and
- (y) except with the prior written consent of the Underwriter and in compliance with the Listing Rules, the Company will not use the proceeds of the Rights Issue for any purpose except those as described in the Prospectus.

7.2 The representations and warranties contained in Clause 7.1 are given as the date hereof. In addition, they shall be deemed to be repeated on the Allotment Posting Date with respect (where relevant) to the Prospectus Documents in their final form and on the Final Acceptance Date, in each case, with reference to the facts and circumstances then subsisting. The Company accepts that the Underwriter is entering into this Agreement in reliance on such representations and warranties. The Company shall not do or omit to do (and shall procure that no Subsidiary shall do or omit to do), any act or thing whereby any of the representations or warranties in Clause 7.1 would be untrue in any respect on the Allotment Posting Date or on the Final Acceptance Date and the Company undertakes to notify the Underwriter of any matter or event coming to its or his attention prior to the despatch of the Prospectus Documents or prior to the Final Acceptance Date which shows any representation or warranty to be or to have at any relevant time been untrue or inaccurate in any respect or which, had the representations

and warranties contained in Clause 7.1 been repeated on each day prior to the Final Acceptance Date, would have shown any representation or warranty to be or to have at any relevant time been untrue or inaccurate in any material respect.

- 7.3 If, prior to the despatch of the Prospectus Documents or on or prior to 4:00 p.m. on the Final Acceptance Date, any matter or event comes to the attention of the Company, as a result of which any representation or warranty, if repeated immediately after the occurrence thereof, would be untrue or inaccurate in any material respect or which would or might render untrue, inaccurate in any material respect or misleading any statement, whether of fact or opinion, contained in the Prospectus Documents if the same were issued immediately after such occurrence, the Company shall forthwith notify the Underwriter thereof and, but without prejudice to the rights of the Underwriter pursuant to Clause 8, the Company and the Underwriter shall forthwith consult with a view to agreeing what steps should be taken (including without limitation notifying the Stock Exchange and taking any steps necessary to avoid a false market in the Rights Shares, and deciding what changes, if any, should be made to the Prospectus Documents or, if the Prospectus Documents have already been despatched, what announcement or circular, if any, should be made or despatched). The Company agrees not to make any such changes or announcement or despatch any such circular without the prior written consent of the Underwriter.
- 7.4 The Company shall indemnify the Underwriter on demand and shall hold the Underwriter indemnified against all loss or liability of any nature (including, without limitation, claims, costs, charges, and expenses) whatsoever arising from or in respect of any breach by the Company of any provision of this Agreement, or any claim which are brought or threatened to be brought against the Underwriter (whether or not such claim is successfully compromised or settled) in each case arising out of or in relation to or by reason of the performance by the Underwriter of its obligations hereunder (and provided that such loss or liability is not connected with any failure by the Underwriter, sub-underwriter(s) or their agent(s) to comply strictly with its obligations under Clause 4.1 and/or its negligence, omission, default and/or fraudulent acts), by any subscriber or sub-underwriter of any of the Rights Shares or any subsequent purchaser or transferee thereof or any other person claiming that he has suffered loss in respect of them as a result of:-
- (a) the Prospectus Documents not containing all the information required to be stated therein or in the grounds that any statement, estimate or forecast contained in the Prospectus Documents is untrue, inaccurate or misleading in any material respect;
 - (b) the Prospectus Documents failing to disclose sufficient information necessary to enable an informed assessment to be made by a sophisticated investor of the assets and liabilities, financial position, profits and losses, and prospects of the Group or of the rights attaching to the Rights Shares;
 - (c) against any claims and proceedings arising out of matters which constitute a material breach of the representations and warranties in Clause 7.1;
 - (d) other than a non-compliance or breach by the Underwriter's obligations pursuant to Clause 4.1, any breach of the laws or regulations of any country resulting from the allotment or issue of the Rights Shares or the distribution of

the Prospectus Documents; or

- (e) any misrepresentation by the Company in connection with the Rights Issue,

including in any such case (but without prejudice to the generality of the foregoing) all costs, charges and expenses of whatever nature which the Underwriter would properly incur or bear in disputing any such claim made against it or establishing any claim on their part under the foregoing provisions of this Clause 7.4 provided that this indemnity shall not relate to any claims or proceedings costs or expenses arising from any negligent act, fraud, omission or default, on the part of the Underwriter, sub-underwriter(s) or their agent(s), and that the conduct of the defence (including any settlement of any such claim) shall be carried out by the Underwriter after, and on the basis of, regular consultation with the Company.

- 7.5 The Company shall not make any claim against the Underwriter to recover any damages which the Company may suffer arising out of the performance by the Underwriter of its obligations hereunder, provided that such damages do not arise from any negligent act, fraud, omission or default, on the part of any of the Underwriter, sub-underwriter(s) or their agent(s).
- 7.6 If the Underwriter becomes aware of any claim relevant for the purposes of Clause 7.4, the Underwriter shall give notice in writing thereof to the Company and shall take such action as the Company may reasonably request to avoid, dispute, resist, defend or appeal against the claim and any adjudication in respect thereof but subject to the Underwriter being indemnified and secured to its satisfaction against all losses and expenses to which it might thereby render itself liable to suffer and incur including without limitation legal expenses properly incurred by its legal advisers.
- 7.7 The undertakings, representations, warranties and indemnities in this Agreement shall remain in full force and effect notwithstanding completion of the Rights Issue and all matters and arrangements referred to in or contemplated by this Agreement.
- 7.8 Notwithstanding any other provisions of this Agreement, no claim shall be brought by the Underwriter against the Company under or in respect of any of the warranties of the Company, or otherwise in connection with this Agreement or any other document entered into pursuant to or in connection therewith or the transactions contemplated hereunder, unless written notice of the claim (specifying in reasonable detail the matter, event or default to which the claim relates, the nature of the claim and the amount claimed in respect thereof, detailing the calculation of the loss thereby alleged to have been suffered) has been given to the Company on or before the expiry of the period of twelve (12) months following the Prospectus Posting Date.
- 7.9 The Company undertakes to use all reasonable endeavours not to cause or permit any Specified Event to occur prior to the Latest Time for Termination. Each of the representations, warranties and undertakings contained in Clause 7.1 shall be construed separately and shall not be limited or restricted by reference to or inference from the terms of any other of the representations, warranties and undertakings or any other terms of this Agreement. If this Agreement is not rescinded or terminated pursuant to Clause 8, all such warranties, representations and undertakings as are contained in Clause 7.1 above shall be deemed to have been repeated as at the Latest Time for Termination with reference to the facts and circumstances then subsisting.

7.10 If any Specified Event shall occur or come to the knowledge of the Company prior to the Latest Time for Termination, it shall forthwith give notice to the Underwriter of the same.

8. TERMINATION AND FORCE MAJEURE

8.1 If prior to the Latest Time for Termination:

- (A) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that any of the warranties or undertakings in this Agreement being untrue, inaccurate, misleading or breached, or there is any matter which would reasonably be expected to give rise to a material breach or claim, and in each case the same is (in the absolute opinion of the Underwriter) material in the context of the Rights Issue; or
- (B) there shall be:
 - (i) any introduction of any new law or regulation or any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
 - (ii) any event, series of events or circumstances resulting in or likely to result in (whether or not foreseeable) any change in (whether or not permanent) local, national or international, financial, political, military, industrial, economic, legal, fiscal, taxation, regulatory or securities market matters or conditions or currency exchange rates or exchange controls in the PRC, Hong Kong and the Cayman Islands which develop, occur, happen, come into effect, exist or come to the knowledge of the Underwriter;
 - (iii) any event or circumstance in the nature of force majeure (including, without limitation, any act of government, any local, national or international event or change of a political, military, financial, economic or other nature, any local, national or international outbreak or escalation of hostilities or armed conflict affecting local securities markets, economic sanctions, strike or lock-out (whether or not covered by insurance), riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of emergency or calamity or crisis, in the PRC, Hong Kong and the Cayman Islands;
 - (iv) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction of trading in securities) occurs;
 - (v) any act of God, war, riot, public disorder, civil commotion, fire, flood,

explosion, epidemic, terrorism, strike or lock-out occurred after the signing of this Agreement;

- (vi) any material adverse change in the circumstances of the Company or any member of the Group;
- (vii) any moratorium, suspension or material restriction on trading of the Shares on the Stock Exchange occurs due to exceptional financial circumstances or otherwise;
- (viii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than seven consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement or the Prospectus Documents or other announcements in connection with the Rights Issue or for such events as required under the Listing Rules not caused by any default or breach of the Listing Rules by the Company;
- (ix) the occurrence of any Specified Event which is incapable of being waived by the Underwriter; or
- (x) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere,

which is or are, in the sole and absolute opinion of the Underwriter:-

- (a) likely to have a material adverse effect on the business, financial position or prospects of the Group taken as a whole; or
- (b) likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares to be taken up; or
- (c) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue,

then the Underwriter may, by notice in writing given to the Company on or before the Latest Time for Termination, rescind this Agreement and the Rights Issue shall not proceed.

- 8.2 Upon termination pursuant to Clause 2.1 or by serving a notice in writing by the Underwriter pursuant to Clause 8.1, all obligations of the Underwriter and the Company hereunder shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with this Agreement and the Company shall not be liable to pay any underwriting commission. Rescission or termination of this Agreement under this Clause 8 shall be without prejudice to any rights of any party in respect of any breach by the other prior to such rescission or termination and in respect of any costs, fees and other reasonable out-of-pocket expenses of the Underwriter, which will be borne by the Company.

9. ANNOUNCEMENTS

Subject as required by law or as otherwise required by the Stock Exchange or the SFC, the Company shall not issue any announcement or circular relating to the Rights Issue from the date hereof up to and including the completion of the Rights Issue without prior consultation with the Underwriter as to the contents thereof and the timing and manner of the making or despatch thereof, and the Company shall take into account requirements on the part of the Underwriter in relation thereto.

10. STOCK EXCHANGE LISTINGS AND ANNOUNCEMENTS

In relation to the Rights Shares and/or the grant of permission to deal in and listings as mentioned in Clause 2.1(d), the Company shall make all applications, pay all such fees, supply all such information, give all such undertakings, execute all such documents and do all such things as may be required by the Stock Exchange.

11. SUCCESSORS AND ASSIGNEES

11.1 This Agreement shall be binding on and ensure for the benefit of each party's personal representative, successors and (where permitted) assignees.

11.2 No part of this Agreement may be assigned by any party without the prior written consent of the other party hereto.

12. NOTICES

12.1 Any notice required to be given hereunder will be deemed to be duly served if left at or sent by hand, by telex or facsimile transmission or pre-paid post to the registered office or to the following addresses and facsimile numbers and marked for the attention of the following persons:

<u>Party</u>	<u>Address</u>	<u>Facsimile number</u>
The Company	Room 4/F, Wah Yuen Building, Queen's Road Central, Hong Kong Attention: Mr. Edwin Tam	149 (852) 3020 5763
The Underwriter	Units 1005-1006, 10/F., Shun Tak Centre, China Merchants Tower, Connaught Road Central, Sheung Wan, Hong Kong Attention: Mr. Barry Yip	(852) 8343 0084

12.2 Any such notice will be deemed to be served if sent by facsimile on receipt of

answerback, if sent by hand at the time when the same is handed to or left at the address of the party to be served, and if sent by post on the day (excluding Sundays or Hong Kong public holidays) after the day of posting.

- 12.3 The Company shall issue a written notice to the Underwriter if there is any change in the timetable in respect of the Rights Issue.

13. TIME

Time shall be of the essence in this Agreement.

14. GOVERNING LAW

This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong and the parties hereby irrevocable submit to the non-exclusive jurisdiction of the courts of Hong Kong in connection with this Agreement, provided that this Agreement may be enforced in any other court of competent jurisdiction.

15. COUNTERPARTS

This Agreement may consist of a number of counterparts and the counterparts taken together constitute one and the same instrument.

16. FURTHER ASSURANCE

Each of the parties hereto shall give all such assistance and provide all such information as the other party (or either of them) shall require for the purposes of this Agreement and shall execute and do all such documents acts and things as the other party (or either of them) may require in order to give effect to the terms of this Agreement.

17. SEVERABILITY

If at any time one or more of the provisions of this Agreement is or becomes invalid, illegal, unenforceable or incapable of performance in any respect, the validity, legality, enforceability or performance of the remaining provisions of this Agreement shall not thereby in any way be affected or impaired.

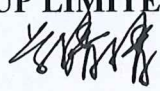
18. RIGHTS OF THIRD PARTIES

- 18.1 The parties hereto do not intend that any term of this Agreement shall be enforceable by any person who is not a party to this Agreement and the right of the parties to terminate, rescind or agree any variation, waiver or settlement under this Agreement is not subject

to the consent of any person that is not a party to this Agreement.

- 18.2 A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce or to enjoy the benefit of any term of this Agreement.

IN WITNESS whereof this Agreement has been entered into the day and year first above written.

SIGNED by *Xiong Di*
for and on behalf of
**FEIYANG INTERNATIONAL
HOLDINGS GROUP LIMITED**
in the presence of: 

) *For and on behalf of*
) *Feiyang International Holdings Group Limited*
) *飛揚國際控股(集團)有限公司*
) 
)
) *Authorized Signature(s)*

SIGNED by *Tip Bun Bun*
for and on behalf of
**SILVERBRICKS SECURITIES
COMPANY LIMITED**
in the presence of: *Chan wai Fung*

)
) *For and on behalf of*
) **SILVERBRICKS SECURITIES COMPANY LIMITED**
) **元庫證券有限公司**
) 
)
) *Authorized Signature(s)*

EXHIBIT A

DRAFT OF ANNOUNCEMENT