

DATED 23 December **2024**

VICTORY III CO., LTD
(as Company)

and

DBS BANK (HONG KONG) LIMITED
(as Lender)

HK\$1,014,000,000 FACILITY AGREEMENT

**Baker
McKenzie.**

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THIS AGREEMENT is dated 23 December 2024 and made

BETWEEN:

- (1) **VICTORY III CO., LTD**, an exempted company incorporated with limited liability under the laws of the Cayman Islands (company number 415836) with its registered office at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands (the "**Company**"); and
- (2) **DBS BANK (HONG KONG) LIMITED** as original lender (the "**Lender**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"Acceleration Event" means an Event of Default in respect of which the Lender has taken any action pursuant to paragraph (b) or (c) of Clause 20.14 (Acceleration).

"Account Bank" means:

- (a) in relation to the Loan Proceeds Account, DBS Bank (Hong Kong) Limited; or
- (b) in relation to the Offshore Account, DBS Bank Ltd., Hong Kong Branch.

"Accounting Principles" means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

"Acquisition" means the acquisition of the Target and Delisting by way of:

- (a) cancellation of all the Scheme Shares pursuant to the Scheme; and
- (b) the issuance by the Target and the subscription by the Company of new Target Shares pursuant to the Scheme.

"Acquisition Consideration" means the cash consideration payable in respect of the Acquisition pursuant to the Acquisition Documents.

"Acquisition Document" means:

- (a) a Scheme Document; or
- (b) any other document designated as an "Acquisition Document" by the Lender and the Company.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"Anti-Bribery and Corruption Laws" means the Prevention of Corruption Act of Singapore, the US Foreign Corrupt Practices Act of 1977 as amended and the rules and regulations thereunder (the "**FCPA**"), the UK Bribery Act of 2010, and/or any similar laws, rules or regulations issued, administered or enforced by Singapore, the US, the United Kingdom, the European Union or any of its member states, the People's Republic of China, Hong Kong, Singapore or any other country or Governmental Agency, which laws are applicable from time to time to a Transaction Obligor or any of its Affiliates concerning or relating to bribery or corruption.

"Anti-Money Laundering Laws" means all applicable financial recordkeeping and reporting requirements and all applicable anti-money laundering laws and regulations of any or all of the jurisdictions where a Transaction Obligor or any of its Affiliates conducts business and/or where a Transaction Obligor or any of its Affiliates is incorporated, established, located, organised, resident or domiciled, the rules and regulations thereunder and any related or similar rules, regulations or

guidelines, which in each case are issued, administered or enforced by any Governmental Agency in any such jurisdiction from time to time.

"Anti-Terrorism Laws" means:

- (a) the Executive Order, the U.S. Bank Secrecy Act (31 U.S.C. §§ 5311 et seq.), the U.S. Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956 et seq.), the USA Patriot Act of 2001, all as amended from time to time, and any economic or financial sanctions or trade embargo laws, regulations or executive orders administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Departments of State or Commerce or any other US government authority;
- (b) the Prevention of Terrorism Act 2005 of the United Kingdom, any economic or financial sanction implemented or effective in the United Kingdom under the United Nations Act 1946 or the Emergency Laws (Re-enactments and Repeals) Act 1964 or the Anti-Terrorism, Crime and Security Act 2001 or under the Treaty establishing the European Community; and
- (c) any similar laws, regulations and/or trade, economic or financial sanctions, embargoes, laws, regulations or restrictive measures enacted, issued, administered and/or enforced by the PRC, the Commonwealth of Australia, the United Kingdom, the European Union, the United Nations, the United States, Singapore, Hong Kong and/or the respective governmental institutions and agencies of the foregoing, including the Sanctions Authorities.

"APLMA" means the Asia Pacific Loan Market Association Limited.

"Assignment Agreement" means an agreement substantially in a recommended form of the APLMA or any other form agreed between the relevant assignor and assignee.

"Authorisation" means:

- (a) an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, lodgement, order, permit, grant, right, franchise, privilege, certificate, judgment, writ, determination, direction, decree or registration; or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law if a Governmental Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

"Availability Period" means the period from and including the date of this Agreement to and including the earliest of:

- (a) the first date on which the Scheme lapses or is withdrawn, terminated or rescinded by the Company or is dismissed, refused or rejected by the Grand Court of the Cayman Islands;
- (b) the first date on which the holders of Target Shares are required to approve the Scheme Resolutions (including the Delisting) and such Scheme Resolutions were voted on, but approval of such Scheme Resolutions is not obtained on such date (excluding any Scheme Resolution which is capable of being waived by the Company in accordance with the Scheme Announcement or where the Scheme Resolution is not passed due to an adjournment of the relevant extraordinary general meeting of the Target);
- (c) the date described in paragraph (b) of the definition of the Settlement Date; and
- (d) subject to Clause 5.7 (Extension option (Availability Period)), the date falling nine Months after the date of this Agreement.

"Available Commitment" means the Total Commitments minus:

- (a) the amount of any outstanding Loans; and

- (b) in relation to any proposed Loan, the amount of any Loans that are due to be made on or before the proposed Utilisation Date.

"Break Costs" means the amount (if any) by which:

- (a) the interest (excluding any portion thereof representing the Margin) which the Lender should have received for the period from the date of receipt of all or any part of the Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

- (b) the amount which the Lender would be able to obtain by placing an amount equal to the principal amount of the Loan or Unpaid Sum received by it on deposit with a leading bank in the Relevant Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in Hong Kong and the Cayman Islands.

"Code" means the US Internal Revenue Code of 1986, as amended and any rule or regulation issued thereunder from time to time in effect.

"Company Debenture" means the Hong Kong law governed debenture executed or to be executed by the Company in favour of the Lender.

"Company Share Charge" means the Hong Kong law governed share charge in respect of the issued shares of the Company executed or to be executed by the HoldCo in favour of the Lender.

"Confidential Information" means all information relating to any Transaction Obligor, the Target Group, the Transaction Documents, the Acquisition or the Facility of which the Lender becomes aware in its capacity as, or for the purpose of becoming, the Lender or which is received by the Lender in relation to, or for the purpose of becoming the Lender under, the Finance Documents or the Facility from any Transaction Obligor or any of its advisers, in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

- (a) is or becomes public information other than as a direct or indirect result of any breach by the Lender of Clause 31 (Confidential Information); or
- (b) is identified in writing at the time of delivery as non-confidential by any Transaction Obligor or any of its advisers; or
- (c) is known by the Lender before the date the information is disclosed to it by any Transaction Obligor or any of its advisers or is lawfully obtained by the Lender after that date, from a source which is, as far as the Lender is aware, unconnected with the Transaction Obligors and which, in either case, as far as the Lender is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

"Confidentiality Undertaking" means a confidentiality undertaking substantially in a recommended form of the APLMA or in any other form agreed between the Company and the Lender.

"Controlling Shareholder" means:

- (a) Ms. Lin YANG;
- (b) Karis I LLC, a limited liability company established in the State of Delaware of the US.;
- (c) Karis II LLC, a limited liability company established in the State of Delaware of the US;

- (d) Caerus Co., Ltd, a business company incorporated under the laws of the British Virgin Islands;
or
- (e) Arceus Co., Ltd, a business company incorporated under the laws of the British Virgin Islands.

"DBS Group" means DBS Group Holdings Ltd. and its Subsidiaries.

"Default" means an Event of Default or any event or circumstance specified in Clause 20 (Events of Default) (other than Clause 20.14 (Acceleration)) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default, ***provided that*** any such event which requires the satisfaction of a condition as to materiality before it becomes an Event of Default shall not be a Default until that condition is satisfied.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Lender.

"Delisting" means the delisting of Target Shares from the Main Board of the Hong Kong Stock Exchange.

"Disruption Event" means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facility (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:
 - (i) from performing its payment obligations under the Finance Documents; or
 - (ii) from communicating with other Parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

"Environmental Claim" means any claim, proceeding or investigation by any person in respect of any Environmental Law.

"Environmental Law" means any applicable law in any jurisdiction in which any member of the Group conducts business which relates to the pollution or protection of the environment or harm to or the protection of human health or the health of animals or plants.

"Environmental Permits" means any Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any member of the Group conducted on or from the properties owned or used by the relevant member of the Group.

"Event of Default" means any event or circumstance specified as such in:

- (a) Clause 20 (Events of Default) (other than Clause 20.14 (Acceleration)); or
- (b) the Target Guarantee.

"Extension Request (Availability Period)" means an extension request substantially in the form set out in Part V (Extension Request) of Schedule 3 (Requests).

"Extension Request (First Extended Termination Date)" means an extension request substantially in the form set out in Part III (Extension Request (First Extended Termination Date)) of Schedule 3 (Requests).

"Extension Request (Second Extended Termination Date)" means an extension request substantially in the form set out in Part IV (Extension Request (Second Extended Termination Date)) of Schedule 3 (Requests).

"Extension Request (Termination Date)" means the Extension Request (First Extended Termination Date) or the Extension Request (Second Extended Termination Date).

"Facility" means the term loan facility made available under this Agreement as described in Clause 2.1 (The Facility).

"Facility Office" means the office or offices through which the Lender will perform its obligations under this Agreement.

"FATCA" means:

- (a) sections 1471 to 1474 of the Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"FATCA Deduction" means a deduction or withholding from a payment under a Finance Document required by FATCA.

"FATCA Exempt Party" means a Party that is entitled to receive payments free from any FATCA Deduction.

"Fee Letter" means the letter dated on or about the date of this Agreement between the Lender and the Company setting out the Margin and the fees, costs and expenses payable under the Finance Documents.

"Finance Document" means:

- (a) this Agreement;
- (b) the Target Guarantee;
- (c) any Security Document;
- (d) the Fee Letter;
- (e) any Utilisation Request; or
- (f) any other document designated as such by the Lender and the Company.

"Financial Adviser" means DBS Asia Capital Limited.

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a balance sheet liability (other than any liability in respect of a lease or hire purchase contract which would, in accordance with the Accounting Principles in force prior to 1 January 2019, have been treated as an operating lease);
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing and required to be classified as a borrowing under the Accounting Principles;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

"First Extended Termination Date" means the date falling nine Months after the Utilisation Date.

"Governmental Agency" means any competent government or any competent governmental agency, semi-governmental, quasi-governmental or judicial entity or tribunal or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute exercising executive, legislative, judicial, taxing, regulatory, supervisory or administrative functions of or pertaining to government, including land bureaus and other places of registration or filing of security interests).

"Group" means:

- (a) at any time prior to the Settlement Date, the Company excluding any of its Subsidiaries and the Target Group (and, for the purposes of the Finance Documents, no member of the Target Group shall be treated as a Subsidiary of the Company prior to the Settlement Date); and
- (b) at any time from the Settlement Date, the Company and its Subsidiaries (including the Target Group).

"HIBOR" means, in relation to any Loan or Unpaid Sum:

- (a) the applicable Screen Rate as of the Specified Time for HK dollars and for a period equal in length to the Interest Period of that Loan or Unpaid Sum; or
- (b) as otherwise determined pursuant to Clause 10.1 (Unavailability of Screen Rate),

and if, in either case, that rate is less than zero, HIBOR shall be deemed to be zero.

"HoldCo" means Victory II Co., Ltd, an exempted company incorporated with limited liability under the laws of the Cayman Islands (company number 415834) with its registered office at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

"Holding Company" means, in relation to a person, any other person in respect of which it is a Subsidiary.

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China.

"Hong Kong Stock Exchange" means The Stock Exchange of Hong Kong Limited or any successor of that stock exchange.

"Hong Kong Takeovers Code" means the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission from time to time.

"Indirect Tax" means any goods and services tax, consumption tax, value added tax or any tax of a similar nature.

"Initial Termination Date" means the date falling six Months after the Utilisation Date.

"Interest Period" means, in relation to a Loan, each period determined in accordance with Clause 9 (Interest Periods) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 8.3 (Default interest).

"Interpolated Screen Rate" means, in relation to any Loan or Unpaid Sum, the rate which results from interpolating on a linear basis between:

- (a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan or Unpaid Sum; and
- (b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan or Unpaid Sum,

each as of the Specified Time.

"Irrevocable Undertaking (Director)" means the irrevocable undertaking executed by the directors of the Target in favour of the Company, pursuant to which the relevant directors undertake to the Company that, among other things, he or she shall will not exercise any share option granted to him or her under the share option scheme adopted by the Target on 1 December 2020.

"Irrevocable Undertakings (IU Shareholder)" has the meaning given to the term "Irrevocable Undertakings" in the Scheme Announcement.

"Joint Venture" means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

"Legal Opinion" means any legal opinion delivered to the Lender under Clause 4.1 (Initial conditions precedent) or Clause 19.22 (Conditions subsequent).

"Legal Reservations" means:

- (a) the principle that certain (including equitable) remedies may be granted or refused at the discretion of a court, the principle of reasonableness and fairness where implied by law and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under the Limitation Ordinance (Cap. 347 of the laws of Hong Kong) and other applicable statutes of limitation (or equivalent legislation), the possibility that an undertaking to assume liability for or indemnify a person against non-payment of stamp duty may be void and defences of acquiescence, set-off or counterclaim;
- (c) similar principles, rights and remedies under the laws of any Relevant Jurisdiction;

- (d) the principle that in certain circumstances Security granted by way of fixed charge may be recharacterised as a floating charge or that Security purported to be constituted as an assignment may be recharacterised as a charge;
- (e) the principle that additional interest imposed pursuant to any relevant agreement may be held to be unenforceable on the grounds that it is a penalty and thus void;
- (f) the principle that a court may not give effect to an indemnity for legal costs incurred by an unsuccessful litigant; and
- (g) any other matters which are set out as reservations or qualifications as to matters of law of general application in any Legal Opinion.

"Loan" means a loan made or to be made under the Facility or the principal amount outstanding for the time being of the loan.

"Loan Proceeds Account" means the HK dollar denominated current account with account number 002701547 and account name Victory III Co., Ltd of the Company with the applicable Account Bank.

"Major Change of Control Event" means an event set out in paragraph (i) of the definition of "Change of Control Event" in Clause 7.2 (Change of control).

"Major Default" means, with respect to the Company only, an event or circumstance constituting an Event of Default under:

- (a) Clause 20.1 (Non-payment);
- (b) Clause 20.2 (Other obligations) only insofar as it relates to a breach of any Major Undertaking;
- (c) Clause 20.3 (Misrepresentation) only insofar as it relates to a breach of any Major Representation;
- (d) Clause 20.5 (Insolvency);
- (e) Clause 20.6 (Insolvency proceedings) (other than paragraph (a)(iv) of that Clause);
- (f) Clause 20.7 (Creditors' process);
- (g) Clause 20.12 (Expropriation);
- (h) Clause 20.9 (Unlawfulness and invalidity); or
- (i) Clause 20.10 (Repudiation and rescission of agreements) (only to the extent that it relates to an actual repudiation of any Finance Document).

"Major Representation" means a representation or warranty given by the Company with respect to itself only under:

- (a) Clause 17.1 (Status);
- (b) Clause 17.2 (Binding obligations);
- (c) paragraph (a) or (b) of Clause 17.3 (Non-conflict with other obligations);
- (d) Clause 17.4 (Power and authority);
- (e) Clause 17.5 (Validity and admissibility in evidence);
- (f) Clause 17.14 (Pari passu ranking);
- (g) Clause 17.18 (Sanctions and Anti-Corruption law); or

- (h) Clause 17.21 (Ownership), in so far as it relates to:
 - (i) the shares in the Company that are subject to Transaction Security granted by HoldCo; or
 - (ii) the assets that are subject to Transaction Security granted by the Company (other than the Target Shares).

"Major Undertaking" means an undertaking given by the Company with respect to itself only under:

- (a) Clause 19.5 (Negative pledge);
- (b) Clause 19.6 (Disposals);
- (c) Clause 19.8 (Financial Indebtedness);
- (d) Clause 19.9 (Lending and guarantees);
- (e) Clause 19.10 (Merger);
- (f) Clause 19.12 (Acquisitions);
- (g) Clause 19.13 (Joint Venture);
- (h) Clause 19.16 (Shares, dividends and share redemption);
- (i) Clause 19.17 (Holding Company);
- (j) Clause 19.19 (Applicable Sanctions, Anti-Corruption Laws and Anti-Terrorism Laws); or
- (k) paragraphs (a) and (b) of Clause 19.20 (The Scheme).

"Margin" means the margin specified in the Fee Letter.

"Material Adverse Effect" means a material adverse effect (after taking into account all resources, insurance, indemnity and assurance available to the Group and the timing and likelihood of recovery) on:

- (a) the business, assets, or financial condition of the Group (taken as a whole);
- (b) the ability of the Transaction Obligors (taken as a whole) to perform their payment obligations under the Finance Documents; or
- (c) (subject to the applicable Legal Reservations and Perfection Requirements) the validity or the enforceability of any Finance Document, the effectiveness of any Transaction Security granted or purported to be granted under any Finance Document or the rights or remedies of the Lender under any of the Finance Documents, and if capable of remedy, not remedied within ten Business Days (without double counting any cure periods provided in relation to any Event of Default) of the Company or a Transaction Obligor becoming aware of such event or circumstance or being given notice of such event or circumstance by the Lender.

"Month" means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) (subject to paragraph (c) below) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and

- (c) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

The above rules will only apply to the last Month of any period.

"New Lender" has the meaning given to that term in Clause 21 (Changes to the Lender).

"Obligor" means:

- (a) the Company;
- (b) at any time on and after the date on which the Target Guarantee is executed, the Target; or
- (c) any other person designated as such by the Company and the Lender.

"Offshore Account" means the multi-currency account with account number 50004817088 and account name Vesync Co., Ltd of the Target with the applicable Account Bank.

"Original Jurisdiction" means, in relation to any Transaction Obligor, the jurisdiction under whose laws that Transaction Obligor is incorporated as at the date of this Agreement.

"Party" means a party to this Agreement.

"Perfection Requirements" means the making or the procuring of filings, stampings, registrations, notarisations, endorsements, translations and/or notifications of any Finance Document (and/or any Security created under it) necessary for the validity, enforceability (as against the relevant Transaction Obligor or any relevant third party) and/or perfection of that Finance Document.

"Quasi-Security" has the meaning given to it in Clause 19.5 (Negative pledge).

"Quotation Day" means:

- (a) in relation to any period for which an interest rate is to be determined, the first day of that period (unless market practice differs in the Relevant Market for that currency, in which case the Quotation Day for that currency will be determined by the Lender in accordance with market practice in the Relevant Market (and if quotations would normally be given on more than one day, the Quotation Day will be the last of those days)); or
- (b) in relation to any Interest Period the duration of which is selected by the Lender pursuant to Clause 8.3 (Default interest), such date as may be determined by the Lender (acting reasonably).

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

"Related Fund" in relation to a fund (the **"first fund"**), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

"Relevant Jurisdiction" means, in relation to a Transaction Obligor:

- (a) its Original Jurisdiction;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;
- (c) any jurisdiction where it conducts a material part of its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it.

"Relevant Market" means the Hong Kong interbank market.

"Repeating Representation" means each of the representations set out in:

- (a) Clause 17.1 (Status) to Clause 17.6 (Governing law and enforcement);
- (b) paragraphs (a) to (d) of Clause 17.13 (Information), with respect to any information provided since the time when such representation was last made; and
- (c) Clause 17.18 (Sanctions and Anti-Corruption law) to Clause 17.23 (Authorised signatures).

"Representative" means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

"Restricted Party" means a person that is:

- (a) listed on, or owned as to 50% or more or controlled by a person listed on any Sanctions List;
- (b) located in, incorporated under the laws of, or owned as to 50% or more or (directly or indirectly) controlled by a person located in or organized under the laws of a country or territory that is the target of country-wide or territory-wide Sanctions; or
- (c) otherwise a target of Sanctions ("**target of Sanctions**" signifying a person with whom a US person or other national of a Sanctions Authority would be prohibited or restricted by law from engaging in trade, business or other activities).

"Sanctions" means any economic or trade sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by a Sanctions Authority.

"Sanctions Authority" means:

- (a) the US;
- (b) the United Nations;
- (c) the European Union;
- (d) the United Kingdom;
- (e) Singapore;
- (f) the People's Republic of China;
- (g) Hong Kong; or
- (h) any other Governmental Agency which are applicable to any Transaction Obligor or the Lender.

"Sanctions List" means a list which is prescribed by a Governmental Agency for purpose of Sanctions, including a list maintained by:

- (a) the Office of Foreign Assets Control of the US;
- (b) the HM Treasury of the United Kingdom;
- (c) the Monetary Authority of Singapore;
- (d) the Ministry of Foreign Affairs of the People's Republic of China; or
- (e) the Hong Kong Monetary Authority,

or any similar list maintained by, or public announcement of Sanctions designation made by, any Sanctions Authority.

"Scheme" means a scheme of arrangement under section 86 of the Companies Act (as amended) of the Cayman Islands, involving the cancellation of the Scheme Shares and restoration of the share capital of the Target to the amount immediately before the cancellation of the Scheme Shares substantially on the terms set out in the Scheme Documents (and in accordance with the Hong Kong Takeovers Code) as proposed under the Scheme, in exchange for Scheme Consideration.

"Scheme Announcement" means the announcement issued or to be issued by the Company and the Target pursuant to Rule 3.5 of the Hong Kong Takeovers Code to announce, among other things, the terms of the Scheme.

"Scheme Circular" means a document to be issued by or on behalf of the Target and the Company by order of the Grand Court of the Cayman Islands setting out the proposals for the Scheme in accordance with the Hong Kong Takeovers Code and the Companies Act (as amended) of the Cayman Islands.

"Scheme Consideration" means the consideration payable to the holders of the Scheme Shares pursuant to the Scheme.

"Scheme Court Order" means the order of the Grand Court of the Cayman Islands sanctioning the Scheme pursuant to section 86(2) of the Companies Act (as amended) of the Cayman Islands.

"Scheme Document" means:

- (a) the Scheme Announcement;
- (b) the Scheme Circular;
- (c) the Scheme Court Order;
- (d) the Scheme Resolutions;
- (e) an Irrevocable Undertaking (Director);
- (f) an Irrevocable Undertaking (IU Shareholder); or
- (g) any other document designated as such by the Company and the Lender,

in each case, with such amendments to any such document as are permitted by this Agreement.

"Scheme Effective Date" means the date on which the Scheme becomes effective in accordance with its terms and the Companies Act (as amended) of the Cayman Islands.

"Scheme Resolutions" means the resolutions referred to and in the form set out in the Scheme Circular.

"Scheme Shares" means all of the Target Shares other than those held by the Company.

"Screen Rate" means the Hong Kong interbank offered rate administered by the Treasury Markets Association (or any other person which takes over the administration of that rate) for HK dollars for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page HKABHIBOR of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page or service ceases to be available, the Lender may specify another page or service displaying the relevant rate after consultation with the Company.

"Second Extended Termination Date" means the date falling 12 Months after the Utilisation Date.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Obligor to the Lender under each Finance Document.

"Secured Party" means the Lender, a Receiver or any Delegate.

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Security Asset" means all of the assets of the Transaction Obligors which from time to time are, or are expressed to be, the subject of the Transaction Security.

"Security Document" means:

- (a) the Company Debenture;
- (b) the Company Share Charge;
- (c) the Target Account Charge; or
- (d) any other document designated as such by the Lender and the Company.

"Selection Notice" means a notice substantially in the form set out in Part II (Selection Notice) of Schedule 3 (Requests) given in accordance with Clause 9 (Interest Periods).

"Settlement Date" means the earliest of the date on which:

- (a) the Scheme becomes effective and the Acquisition is completed, resulting in the Company beneficially owning all of the Scheme Shares; and
- (b) full payment in respect of the cancellation of the Scheme Shares have been dispatched (including by way of cheques),

in each case, in accordance with the Scheme Documents, provided that such full payment shall be deemed to have been made upon the deposit of the amount of such payment into the applicable settlement account in respect of the Scheme.

"SFC" means the Securities and Futures Commission of Hong Kong.

"Specified Time" means a day or time determined in accordance with Schedule 5 (Timetables).

"Subsidiary" means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and, for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

"Target" means Vesync Co., Ltd, an exempted company incorporated in the Cayman Islands with limited liability and listed on the Hong Kong Stock Exchange (Stock Code: 2148) with registration number 346856 and having its registered office at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

"Target Account Charge" means the Hong Kong law governed share charge to be entered into by the Target as chargor in favour of the Lender in respect of the Offshore Account in the agreed form.

"Target Group" means the Target and its Subsidiaries from time to time.

"Target Guarantee" means the Hong Kong law governed guarantee to be entered into by the Target as guarantor in favour of the Lender.

"Target Shares" means shares in the issued share capital of the Target.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"Termination Date" means, subject to Clause 5.6 (Extension option (Termination Date)), the Initial Termination Date.

"Total Commitments" means HK\$1,014,000,000, to the extent not cancelled, reduced or transferred by the Lender under this Agreement.

"Transaction Document" means:

- (a) a Finance Document;
- (b) an Acquisition Document; or
- (c) any other document designated as such in writing by the Lender and the Company.

"Transaction Obligor" means:

- (a) an Obligor;
- (b) the HoldCo;
- (c) at any time on and after the Settlement Date, the Target; or
- (d) any other person designated as such by the Company and the Lender.

"Transaction Security" means the Security created or evidenced or expressed to be created or evidenced under the Security Documents.

"Transfer Certificate" means a certificate substantially in the form set out in Schedule 4 (Form of Transfer Certificate) or any other form agreed between the Lender and the Company.

"Transfer Date" means, in relation to an assignment or a transfer, the proposed Transfer Date specified in the relevant Assignment Agreement or Transfer Certificate.

"Unpaid Sum" means any sum due and payable but unpaid by an Obligor under the Finance Documents.

"US" means the United States of America.

"Utilisation" means a utilisation of the Facility.

"Utilisation Date" means the date of a Utilisation, being the date on which the Loan is to be made.

"Utilisation Request" means a notice substantially in the form set out in Part I (Utilisation Request) Schedule 3 (Requests).

1.2 Construction

- (a) Unless a contrary indication appears, a reference in this Agreement to:
 - (i) the **"Financial Adviser"**, the **"Lender"**, any **"Obligor"**, any **"Party"**, any **"Secured Party"**, any **"Transaction Obligor"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;
 - (ii) a document **"in agreed form"** is a document which is previously agreed in writing by or on behalf of the Company and the Lender;
 - (iii) an **"account"** includes:

- (A) any sub-division or sub-account of the account; and
 - (B) any other account which is a successor account to the account on any renumbering, replacement or redesignation of accounts and any account in to which all or part of a balance from the account is transferred for investment or administrative purposes;
- (iv) "**assets**" includes present and future properties, revenues and rights of every description;
- (v) "**disposal**" includes a sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary, and dispose will be construed accordingly;
- (vi) a "**Finance Document**" or "**Transaction Document**" or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated (however fundamentally and whether or not more onerously) or replaced from time to time and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Finance Document, that Transaction Document or other agreement or instrument and including any waiver or consent granted in respect of any term of any Finance Document or Transaction Document from time to time;
- (vii) "**guarantee**" means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
- (viii) "**including**" shall be construed as "including without limitation" (and cognate expressions shall be construed similarly).
- (ix) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (x) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership or other entity (whether or not having separate legal personality);
- (xi) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (xii) a provision of law is a reference to that provision as amended or re-enacted; and
- (xiii) a time of day is a reference to Hong Kong time.
- (b) The determination of the extent to which a rate is "**for a period equal in length**" to an Interest Period shall disregard any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of this Agreement.
- (c) Section, Clause and Schedule headings are for ease of reference only.
- (d) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.

- (e) A Default (including an Event of Default and a Major Default) is continuing if it has not been remedied or waived.
- (f) A Default or an Event of Default or a Major Default will be remedied where the underlying circumstances giving rise to the Default or Event of Default or Major Default (as the case may be) cease to exist or where actions have been taken which have addressed the underlying circumstances in each case with the effect that those underlying circumstances (after giving effect to the taking of such actions) no longer constitute a Default or an Event of Default or a Major Default (as the case may be), provided that if an Acceleration Event has occurred, then such Default or Event of Default or Major Default is no longer capable of being remedied and will be continuing unless it has been waived.
- (g) An Acceleration Event is continuing if the relevant Acceleration Event has occurred and the underlying notice of acceleration has not been withdrawn by the Lender.
- (h) In addition to paragraph (f) above, and subject to paragraph (f) above, if a Default (including an Event of Default and a Major Default) occurs for a failure to deliver a required certificate, notice or other document in connection with another default (an "**Initial Default**") then at the time such Initial Default is remedied or waived, such Default (including an Event of Default and a Major Default) for a failure to report or deliver a required certificate, notice or other document in connection with the Initial Default will also be cured without any further action. Any Default (including an Event of Default and a Major Default) for the failure to comply with the time periods prescribed in Clause 18 (Information Undertakings), or otherwise to deliver any notice, certificate or other document, as applicable, even though such delivery is not within the prescribed period specified in this Agreement or any other Finance Document, shall be deemed to be cured upon the delivery of any such report required by such covenant or notice, certificate or other document, as applicable, even though such delivery is not within the prescribed period specified in this Agreement or any other Finance Document.
- (i) Where this Agreement specifies an amount in a given currency (the "**specified currency**") "**or its equivalent**" or the "**equivalent**" is a reference to the amount of any other currency which, when converted into the specified currency utilising the Lender's spot rate of exchange for the purchase of the specified currency with that other currency at or about 11 a.m. on the relevant date, is equal to the relevant amount in the specified currency.

1.3 Currency symbols and definitions

In this Agreement:

- (a) "**HK\$**" and "**HK dollars**" denote the lawful currency of Hong Kong; and
- (b) "**US\$**" and "**US dollars**" denote the lawful currency of the US.

1.4 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a party to a Finance Document has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) (the "**Third Parties Ordinance**"), to enforce or to enjoy the benefit of any term of that Finance Document.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a party to that Finance Document is not required to rescind or vary any Finance Document at any time.
- (c) The Financial Adviser may, subject to this Clause 1.4 and the Third Parties Ordinance, rely on any Clause of this Agreement which expressly confers rights on it.

1.5 Personal liability

No director, officer, employee or other individual acting (or purporting to act) on behalf of the a Transaction Obligor or any member of the Group, shall be personally liable for any representation, certification or statement made or deemed to be made by him or her, that Transaction Obligor or any member of the Group in any Finance Document or any certificate, notice or other document required to be delivered under, or in connection with, any Finance Document, whether or not signed by that director, officer, employee or other individual, save in the case of fraud, or intention to mislead (in which case any liability shall be determined in accordance with applicable law) and each such individual may rely on this Clause subject to Clause 1.4 (Third party rights) and the provisions of the Third Parties Ordinance.

1.6 No Recourse to the Controlling Shareholders

Subject to Clause 1.5 (Personal liability), the Lender shall not have any recourse to any Controlling Shareholder in respect of any term of any Finance Document or any statement by a Controlling Shareholder under or in connection with the Finance Documents.

2. THE FACILITY

2.1 The Facility

Subject to the terms of this Agreement, the Lender makes available to the Company a term loan facility in an aggregate amount equal to the Total Commitments.

3. PURPOSE

3.1 Purpose

The Company shall apply all amounts borrowed by it under the Facility towards:

- (a) payment of the Acquisition Consideration; and
- (b) payment of the fees, costs and expenses (including stamp Taxes) incurred by or charged to the Company in connection with the Finance Documents and the Acquisition.

3.2 Monitoring

The Lender is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. CONDITIONS OF UTILISATION

4.1 Initial conditions precedent

The Lender will only be obliged to comply with Clause 5.4 (Availability of Loans) in relation to the Utilisation if on or before the Utilisation Date, the Lender has received all of (or waived the requirement to receive any of) the documents and other evidence listed in Schedule 1 (Conditions precedent) in form and substance satisfactory to the Lender. The Lender shall notify the Company promptly upon being so satisfied.

4.2 Further conditions precedent

- (a) Subject to Clause 4.1 (Initial conditions precedent), during the Availability Period, the Lender will be obliged to comply with Clause 5.4 (Availability of Loans) in relation to the Utilisation of the Facility if:
 - (i) on the date of the Utilisation Request and on the proposed Utilisation Date of the Facility:

- (A) no Major Default is continuing or would result from the proposed Utilisation;
and
 - (B) each Major Representation:
 - (1) (to the extent not already subject to materiality) is true and correct in all material respects; and
 - (2) (to the extent already subject to materiality) is true and correct in all respects;
 - (ii) it is not unlawful in any applicable jurisdiction for the Lender to perform any of its obligations as contemplated by this Agreement, to maintain the Total Commitments or to make available the Loan; and
 - (iii) no Major Change of Control Event has occurred.
- (b) During the Availability Period (save in circumstances where, pursuant to paragraph (a) above, the Lender is not obliged to comply with Clause 5.4 (Availability of Loans)), the Lender shall not be entitled to:
- (i) cancel any of the Total Commitments to the extent to do so would prevent or limit the making of the Utilisation of the Facility (except in accordance with Clause 7.5 (Mandatory cancellation – Acquisition Consideration));
 - (ii) rescind, terminate or cancel this Agreement or the Facility or exercise any similar right or remedy or make or enforce any claim under the Finance Documents it may have to the extent to do so would prevent or limit the making of the Utilisation of the Facility;
 - (iii) refuse to participate in the making of the Utilisation of the Facility;
 - (iv) exercise any right of set-off (including pursuant to Clause 25 (Set-off)), deduction, withholding or counterclaim:
 - (A) in respect of the Utilisation of the Facility to the extent to do so would prevent or limit the making of the Utilisation of the Facility; or
 - (B) in respect of the Loan Proceeds Account or exercise any right or remedy or enforce any claim in respect of the Loan Proceeds Account (including under the Company Debenture), to the extent to do so would prevent or limit the making of any withdrawals from the Loan Proceeds Account for the purposes of payment of the Acquisition Consideration; or
 - (v) cancel, accelerate or cause repayment or prepayment of any amounts owing under this Agreement or under any other Finance Document to the extent to do so would prevent or limit the making of the Utilisation of the Facility,

provided that, immediately upon the expiry of the Availability Period in relation to the Facility, all such rights, remedies and entitlements shall be available to the Lender notwithstanding that they may not have been used or been available for use during the Availability Period of the Facility.

4.3 Maximum number of Loans

The Company may not deliver a Utilisation Request if as a result of the proposed Utilisation more than one Loan would be outstanding.

5. UTILISATION

5.1 Delivery of a Utilisation Request

The Company may utilise the Facility by delivery to the Lender of a duly completed Utilisation Request not later than the Specified Time.

5.2 Completion of a Utilisation Request

- (a) A Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:
 - (i) the proposed Utilisation Date is a Business Day within the Availability Period;
 - (ii) the currency and amount of the Utilisation comply with Clause 5.3 (Currency and amount);
 - (iii) the proposed Interest Period complies with Clause 9 (Interest Periods); and
 - (iv) it specifies that:
 - (A) the amount of the proposed Loan (after deducting the amount specified in sub-paragraph (B) below) is to be paid directly into the Loan Proceeds Account for payment of the Acquisition Consideration and the fees (other than the fees due and payable by the Company under clause 11 (Fees) of the Agreement on the proposed Utilisation Date), costs and expenses (including stamp Taxes) incurred by or charged to the Company in connection with the Acquisition and the Finance Documents; and
 - (B) an amount equal to the amount of any fee due and payable by the Company under Clause 11 (Fees) on the Utilisation Date is to be deducted by the Lender from the proceeds of the Loan and applied towards payment of such fee.
- (b) Only one Loan may be requested in a Utilisation Request.

5.3 Currency and amount

- (a) The currency specified in a Utilisation Request must be HK dollars.
- (b) The amount of the proposed Loan must be an amount which is not more than the Available Commitments.

5.4 Availability of Loans

If the conditions set out in this Agreement have been met, the Lender shall make the Loan available by the Utilisation Date through its Facility Office.

5.5 Cancellation of unutilised Total Commitments

The Total Commitments which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period or, if earlier, on the Utilisation Date following the advance of the Loan.

5.6 Extension option (Termination Date)

- (a) Subject to paragraphs (c) and (d) below, the Company may (in its sole discretion) request that the Termination Date be extended to the First Extended Termination Date by giving the Lender a duly completed Extension Request (First Extended Termination Date):
 - (i) not later than the date falling one Month prior to the Initial Termination Date; and
 - (ii) not earlier than the date falling three Months prior to the Initial Termination Date.

- (b) If the Termination Date has been extended to the First Extended Termination Date in accordance with the terms of this Agreement, subject to paragraphs (c) and (d) below, the Company may (in its sole discretion) request that the Termination Date be extended to the Second Extended Termination Date by giving the Lender a duly completed Extension Request (Second Extended Termination Date) not later than the date falling one Month prior to the First Extended Termination Date.
- (c) Following delivery of an Extension Request (Termination Date) and subject to:
 - (i) there being no Event of Default which is continuing as at the date of that Extension Request (Termination Date) and:
 - (A) (in the case of the Extension Request (First Extended Termination Date) the Initial Termination Date; or
 - (B) (in the case of the Extension Request (Second Extended Termination Date) the First Extended Termination Date,

or would result from the extension of the Termination Date requested under that Extension Request (Termination Date); and
 - (ii) payment of the applicable extension fee under Clause 11.2 (*Extension fee*),

the Termination Date will be automatically extended to the First Extended Termination Date (in the case of the Extension Request (First Extended Termination Date) or the Second Extended Termination Date (in the case of the Extension Request (Second Extended Termination Date)).
- (d) The Company may only submit one Extension Request (First Extended Termination Date) and one Extension Request (Second Extended Termination Date).
- (e) Each Extension Request (Termination Date) is irrevocable.

5.7 Extension option (Availability Period)

- (a) Subject to paragraphs (c) and (d) below, the Company may request that the date referred to in paragraph (d) of the definition of "Availability Period" be extended to the date falling 12 Months after the date of this Agreement by giving the Lender a duly completed Extension Request (Availability Period):
 - (i) not later than the date falling eight Months after the date of this Agreement; and
 - (ii) not earlier than the date falling six Months after the date of this Agreement.
- (b) Following delivery of an Extension Request (Availability Period), the date referred to in paragraph (d) of the definition of "Availability Period" shall be automatically extended to the date falling 12 Months after the date of this Agreement.
- (c) The Company may only submit one Extension Request (Availability Period).
- (d) The Extension Request (Availability Period) is irrevocable.

6. REPAYMENT

6.1 Repayment of Loan

The Company shall repay the Loan in full on the Termination Date.

6.2 Reborrowing

The Company may not reborrow any part of the Facility which is repaid.

7. PREPAYMENT AND CANCELLATION

7.1 Illegality

If, at any time, it is or will become unlawful in any applicable jurisdiction for the Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain the Loan or it is or will become unlawful for any Affiliate of the Lender to do so:

- (a) the Lender shall promptly notify the Company upon becoming aware of that event;
- (b) upon the Lender notifying the Company, the Total Commitments will be immediately cancelled; and
- (c) the Company shall repay the Loan on the last day of the Interest Period for the Loan occurring after the Lender has notified the Company or, if earlier, the date specified by the Lender in the notice delivered to the Company (being no earlier than the last day of any applicable grace period permitted by law) and the Total Commitments shall be cancelled in the amount of repaid.

7.2 Change of control

- (a) For the purposes of this Agreement:

"Change of Control Event" means the occurrence of any of the following events and circumstances:

- (i) the Controlling Shareholders collectively do not or cease to:
 - (A) own, directly or indirectly:
 - (1) at any time prior to the Settlement Date, 100%; or
 - (2) at any time on and after the Settlement Date, not less than 50.1% of the voting shares in the Company; or
 - (B) control the Company;
- (ii) at any time on and after the Settlement Date, the Company does not or ceases to:
 - (A) directly own 100% of the voting shares in the Target; or
 - (B) control the Target; or
- (iii) any other event or circumstance specified as such in the Target Guarantee.

"control" means the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

- (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting or equivalent of the board of directors of an entity;
 - (ii) appoint or remove (or control the appointment or removal of) all, or the majority, of the directors or other equivalent officers of an entity; or
 - (iii) give directions with respect to the operating and financial policies of an entity with which the directors or other equivalent officers of that entity are obliged to comply.
- (b) Upon the occurrence of:
 - (i) a Change of Control Event; or

- (ii) the sale of all or substantially all of the assets of the Group whether in a single transaction or a series of related transactions,

the Company shall promptly notify the Lender upon becoming aware of that event and:

- (A) subject to Clause 4.2 (Further conditions precedent), the Lender shall not be obliged to fund the Utilisation; and
- (B) the Lender may, by ten Business Days' notice to the Company:
 - (1) cancel the Available Commitment whereupon the Available Commitment shall be immediately cancelled; and
 - (2) declare that the outstanding Loan, together with accrued interest and all other amounts accrued under the Finance Documents be immediately due and payable, whereupon it shall become immediately due and payable.

7.3 Mandatory prepayment – Target Guarantee

The Company shall prepay and cancel the whole or any part of the Loan and cancel the whole or any part of the Available Commitment at the times and in the manner set out in the Target Guarantee.

7.4 Mandatory prepayment – Dividends and other distributions

- (a) In this Agreement:

"Distribution Proceeds" means all dividends, distributions, interests, repayment of shareholder loan or intercompany loan, repatriation of capital or other income received by the Company at any time on or after the Settlement Date in respect of or pursuant to the Company's indirect ownership and equity interests in the Target.

- (b) The Company shall immediately notify the Lender of the receipt of any Distribution Proceeds and procure that such Distribution Proceeds be converted into HK dollars (if in a currency other than HK dollars) and applied in prepayment of the outstanding Loan together with accrued interest and all other amounts accrued under the Finance Documents by no later than:
 - (i) (to the extent the Distribution Proceeds is funded by any amount standing to the credit of the Offshore Account) the date of receipt of such Distribution Proceeds; or
 - (ii) (in any other case) the last day of the next Interest Period of the Loan falling at least ten Business Days after the date of receipt of such Distribution Proceeds.

7.5 Mandatory cancellation – Acquisition Consideration

If the Acquisition Consideration is or becomes less than the aggregate cash consideration payable by the Company in respect of the Acquisition as specified in the Scheme Announcement (the **"Acquisition Consideration Reduction"**):

- (a) the Company shall promptly notify the Lender upon becoming aware of that event; and
- (b) the Total Commitments shall be reduced on the date on which such Acquisition Consideration Reduction becomes effective by an amount equal to the amount of Acquisition Consideration Reduction.

7.6 Non-completion

If the Settlement Date does not occur by the date falling seven Business Days after the Scheme Effective Date:

- (a) the Company shall promptly notify the Lender upon becoming aware of that event; and

- (a) the outstanding Loan, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable.

7.7 Voluntary prepayment of Loan

- (a) The Company may, if it gives the Lender not less than three Business Days' notice, prepay the whole or any part of the Loans but, if in part, such prepayment must be in an amount that reduces the amount of the Loans by a minimum amount of HK\$10,000,000 and integral multiples of HK\$1,000,000.
- (b) The Company shall pay all accrued interest and all other amounts accrued under the Finance Documents in respect of amounts prepaid under this Clause 7.7.

7.8 Voluntary cancellation

The Company may, if it gives the Lender not less than three Business Days' notice, cancel the whole or any part of the Available Commitment, being a minimum amount of HK\$10,000,000 and integral multiples of HK\$1,000,000.

7.9 Right of repayment and cancellation in relation to the Lender

- (a) If at any time after the Settlement Date:
 - (i) any sum payable to the Lender by an Obligor is required to be increased under paragraph (a) of Clause 12.2 (Tax gross-up); or
 - (ii) the Lender claims indemnification from the Company under Clause 12.3 (Tax indemnity) or Clause 13.1 (Increased Costs),the Company may, whilst the circumstance giving rise to the requirement for that increase or indemnification continues, give the Lender notice of cancellation of the Total Commitments and its intention to procure the repayment of the Loan.
- (b) On receipt of a notice of cancellation referred to in paragraph (a) above, the Total Commitments shall immediately be reduced to zero.
- (c) On the last day of each Interest Period which ends after the Company has given notice of cancellation under paragraph (a) above (or, if earlier, the date specified by the Company in that notice), the Company shall repay the Loan.

7.10 Restrictions

- (a) Any notice of cancellation or prepayment given by any Party under this Clause 7 shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.
- (b) Any prepayment under this Agreement shall be made together with:
 - (i) accrued interest on the amount prepaid; and
 - (ii) any applicable Break Costs,but otherwise shall be made without premium or penalty.
- (c) The Company may not reborrow any part of the Facility which is prepaid.
- (d) The Company shall not repay or prepay all or any part of the Loan or cancel all or any part of the Total Commitments except at the times and in the manner expressly provided for in this Agreement.

- (e) No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.
- (f) If all or part of the Loan is repaid or prepaid, an amount of the Total Commitments (equal to the amount which is repaid or prepaid) will be deemed to be cancelled on the date of repayment or prepayment.

8. INTEREST

8.1 Calculation of interest

The rate of interest on the Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

- (a) Margin; and
- (b) HIBOR.

8.2 Payment of interest

The Company shall pay accrued interest on the Loan on the last day of each Interest Period (and if, the Interest Period is longer than six Months, on the dates falling at six-monthly intervals after the first day of the Interest Period).

8.3 Default interest

- (a) If an Obligor fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to paragraph (c) below, is 2.00 per cent. per annum higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods, each of a duration selected by the Lender (acting reasonably).
- (b) Any interest accruing under this Clause 8.3 shall be immediately payable by the Obligor on demand by the Lender.
- (c) If any overdue amount consists of all or part of the Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:
 - (i) the first Interest Period for that overdue amount shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and
 - (ii) the rate of interest applying to the overdue amount during that first Interest Period shall be 2.00 per cent. per annum higher than the rate which would have applied if the overdue amount had not become due.
- (d) Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.

8.4 Notification of rates of interest

The Lender shall promptly notify the Company of the determination of a rate of interest under this Agreement.

8.5 Break Costs

- (a) The Company shall, within three Business Days of demand by the Lender, pay to the Lender its Break Costs attributable to all or any part of the Loan or Unpaid Sum being paid by the Company on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.

- (b) The Lender shall, as soon as reasonably practicable after a demand by the Company, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.

9. INTEREST PERIODS

9.1 Selection of Interest Periods

- (a) The Company may select an Interest Period for the Loan in the Utilisation Request for that Loan or (if the Loan has already been borrowed) in a Selection Notice.
- (b) Each Selection Notice for the Loan is irrevocable and must be delivered to the Lender by the Company not later than the Specified Time.
- (c) If the Company fails to deliver a Selection Notice to the Lender in accordance with paragraph (b) above, the relevant Interest Period will be one Month.
- (d) Subject to this Clause 9, the Company may select an Interest Period of one, two or three Month(s) or any other period agreed between the Company and the Lender.
- (e) Each Interest Period will start on the Utilisation Date or (if the Loan is already made) on the last day of the preceding Interest Period of the Loan.

9.2 Non-Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

9.3 No overrunning the Termination Date

An Interest Period which would otherwise overrun the Termination Date will be shortened so that it ends on the Termination Date.

10. CHANGES TO THE CALCULATION OF INTEREST

10.1 Unavailability of Screen Rate

- (a) *Interpolated Screen Rate*: If no Screen Rate is available for HIBOR for the Interest Period of the Loan, the applicable HIBOR shall be the Interpolated Screen Rate for a period equal in length to the Interest Period of the Loan.
- (b) *Cost of funds*: If paragraph (a) above applies but it is not possible to calculate the Interpolated Screen Rate or there shall be no HIBOR for that Loan, then Clause 10.3 (Cost of funds) shall apply to the Loan for that Interest Period.

10.2 Market disruption

If before 5:00 p.m. on the Business Day immediately following the Quotation Day for an Interest Period of the Loan, the Lender notifies the Company that the cost to it of obtaining matching deposits in the Relevant Market to fund the Loan would be in excess of the applicable HIBOR (together with sufficient details setting out the facts and circumstances giving rise to the event), then Clause 10.3 (Cost of funds) shall apply to the Loan for that Interest Period.

10.3 Cost of funds

- (a) If this Clause 10.3 applies, the rate of interest on the Loan for the relevant Interest Period shall be the percentage rate per annum which is the sum of:
 - (i) the Margin; and

- (ii) the rate notified by the Lender to the Company as soon as practicable and in any event before interest is due to be paid in respect of that Interest Period, to be that which expresses as a percentage rate per annum the cost to the Lender of funding that Loan from whatever source it may reasonably select.
- (b) If this Clause 10.3 applies and the Lender or the Company so requires, the Lender and the Company shall enter into negotiations (for a period of not more than 30 days) with a view to agreeing a substitute basis for determining the rate of interest.
- (c) Any alternative basis agreed pursuant to paragraph (b) above shall, with the prior consent of the Lender and the Company, be binding on all Parties.

11. FEES

11.1 Arrangement fee

The Company shall pay to the Lender an arrangement fee in the amount and at the times agreed in a Fee Letter.

11.2 Extension fee

The Company shall pay to the Lender an extension fee in the amount and at the times agreed in a Fee Letter.

11.3 Commitment fee

The Company shall pay to the Lender a commitment fee in the amount and at the times agreed in a Fee Letter.

12. TAXES

12.1 Tax Definitions

In this Agreement:

"**Tax Credit**" means a credit against any Tax or any relief or remission for Tax (or its repayment).

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction.

"**Tax Payment**" means a payment made by an Obligor to the Lender under Clause 12.2 (Tax gross-up) or a payment under Clause 12.3 (Tax indemnity).

12.2 Tax gross-up

- (a) All payments to be made by an Obligor to the Lender under the Finance Documents shall be made free and clear of and without any Tax Deduction unless such Obligor is required to make a Tax Deduction, in which case the sum payable by such Obligor (in respect of which such Tax Deduction is required to be made) shall be increased to the extent necessary to ensure that the Lender receives a sum net of any deduction or withholding equal to the sum which it would have received had no such Tax Deduction been made or required to be made.
- (b) The Company shall promptly upon becoming aware that an Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lender accordingly. Similarly, the Lender shall notify the Company on becoming so aware in respect of a payment payable to the Lender.
- (c) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

- (d) Within 30 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Lender evidence reasonably satisfactory to the Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.
- (e) The Lender shall provide such reasonable cooperation as may be requested by the Company in completing any procedural formalities necessary for the Company or the relevant Obligor to obtain authorisation to make that payment without Tax Deduction (if applicable).

12.3 Tax indemnity

- (a) Without prejudice to Clause 12.2 (Tax gross-up), if the Lender is required to make any payment of or on account of Tax on or in relation to any sum received or receivable under the Finance Documents (including any sum deemed for the purposes of Tax to be received or receivable by the Lender whether or not actually received or receivable) or if any liability in respect of any such payment is asserted, imposed, levied or assessed against the Lender, the Company shall, within ten (10) Business Days of demand of the Lender, promptly indemnify the Lender, to the maximum extent permitted under all applicable laws, against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith, **provided that** this Clause 12.3 (Tax indemnity) shall not apply to:
 - (i) any Tax imposed on and calculated by reference to the net income actually received or receivable by the Lender (but, for the avoidance of doubt, not including any sum deemed for the purposes of Tax to be received or receivable by the Lender but not actually receivable) by the jurisdiction in which the Lender is incorporated;
 - (ii) any Tax imposed on and calculated by reference to the net income of the Facility Office of the Lender actually received or receivable by the Lender (but, for the avoidance of doubt, not including any sum deemed for the purposes of Tax to be received or receivable by the Lender but not actually receivable) by the jurisdiction in which its Facility Office is located; or
 - (iii) a FATCA Deduction required to be made by a Party.
- (b) If the Lender intends to make a claim under paragraph (a), it shall notify the Company thereof.

12.4 Tax Credit

If an Obligor makes a Tax Payment and the Lender determines that:

- (a) a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and
- (b) the Lender has obtained and utilised that Tax Credit,

the Lender shall pay an amount to the Obligor which the Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been made by the Obligor.

12.5 Stamp taxes

The Company shall:

- (a) pay all stamp duty, registration and other similar Taxes payable in respect of any Finance Document; and
- (b) within ten (10) Business Days of demand, indemnify the Lender against any cost, loss or liability the Lender incurs in relation to any stamp duty, registration or other similar Tax paid or payable in respect of any Finance Document.

12.6 Value added taxes

- (a) All amounts set out or expressed in a Finance Document to be payable by any Party to the Lender shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made by the Lender to any Party in connection with a Finance Document, that Party shall pay to the Lender (in addition to and at the same time as paying the consideration) an amount equal to the amount of the Indirect Tax.
- (b) Where a Finance Document requires any Party to reimburse the Lender for any costs or expenses, that Party shall also at the same time pay and indemnify the Lender against all Indirect Tax incurred by the Lender in respect of the costs or expenses to the extent that the Lender reasonably determines that it is not entitled to credit or repayment in respect of the Indirect Tax.

12.7 FATCA Information

- (a) Subject to paragraph (c) below, each Party shall, within ten (10) Business Days of a reasonable request by another Party:
 - (i) confirm to that other Party whether it is:
 - (A) a FATCA Exempt Party; or
 - (B) not a FATCA Exempt Party;
 - (ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and
 - (iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.
- (b) If a Party confirms to another Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.
- (c) Paragraph (a) above shall not oblige the Lender to do anything, and paragraph (a)(iii) above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:
 - (i) any law or regulation;
 - (ii) any fiduciary duty; or
 - (iii) any duty of confidentiality.
- (d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (a)(ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

12.8 FATCA Deduction

- (a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

- (b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), and in any case at least three (3) Business Days prior to making a FATCA Deduction, notify the Party to whom it is making the payment.

13. INCREASED COSTS

13.1 Increased Costs

- (a) Subject to Clause 13.3 (Exceptions) the Company shall, within ten Business Days of a demand by the Lender, pay the Lender the amount of any Increased Costs incurred by the Lender or any of its Affiliates as a result of:
 - (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation; or
 - (ii) compliance with any law or regulation made after the date of this Agreement.
- (b) In this Agreement, "**Increased Costs**" means:
 - (i) a reduction in the rate of return from the Facility or on the Lender's (or its Affiliate's) overall capital;
 - (ii) an additional or increased cost; or
 - (iii) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by the Lender or any of its Affiliates to the extent that it is attributable to the Lender funding or performing its obligations under any Finance Document.

13.2 Increased Cost claims

- (a) If the Lender intends to make a claim pursuant to Clause 13.1 (Increased Costs), it shall notify the Company of the event giving rise to the claim within 120 days the date on which the Lender becomes aware of it.
- (b) The Lender shall, as soon as practicable after a demand by the Company, provide a certificate confirming the amount of its Increased Costs.

13.3 Exceptions

Clause 13.1 (Increased Costs) does not apply to the extent any Increased Cost is:

- (a) attributable to a Tax Deduction required by law to be made by an Obligor;
- (b) attributable to a FATCA Deduction required to be made by a Party;
- (c) compensated for by Clause 12.3 (Tax indemnity) (or would have been compensated for under Clause 12.3 (Tax indemnity) but was not so compensated solely because any of the exclusions in paragraph (a) of Clause 12.3 (Tax indemnity) applied);
- (d) attributable to the wilful breach by the Lender or its Affiliates of any law or regulation; or
- (e) not notified to the Company within 120 days of the date on which the Lender becoming aware of the event giving rise to such Increased Costs in accordance with paragraph (a) of Clause 13.2 (Increased Cost claims).

14. OTHER INDEMNITIES

14.1 Currency indemnity

- (a) If any sum due from a Transaction Obligor under the Finance Documents (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:
 - (i) making or filing a claim or proof against that Transaction Obligor; or
 - (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,the Company shall as an independent obligation, within five Business Days of demand, indemnify each Secured Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.
- (b) The Company waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.
- (c) If any amount received by the Lender is, when converted into the currency in which that amount is expressed to be due and payable under the relevant Finance Documents, in excess of the relevant Obligor's liability under the Finance Documents, the Lender must promptly pay to that Obligor an amount equal to that excess.

14.2 Other indemnities

The Company shall, within ten Business Days of demand, indemnify each Secured Party against any cost, loss or liability incurred by that Secured Party as a result of:

- (a) the occurrence of any Event of Default;
- (b) a failure by a Transaction Obligor to pay any amount due under a Finance Document on its due date;
- (c) funding, or making arrangements to fund, the Loan requested by the Company in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement, other than:
 - (i) by reason of default or negligence by that Secured Party alone; or
 - (ii) any cost, loss or liability attributable to a loss of Margin; or
- (d) the Loan (or part of the Loan) not being prepaid in accordance with a notice of prepayment given by the Company.

14.3 Indemnity to the Lender

The Company shall promptly indemnify the Lender against any cost, loss or liability incurred by the Lender (acting reasonably) as a result of:

- (a) investigating any event which it reasonably believes is a Default; or
- (b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or

- (c) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Agreement.

14.4 Further indemnity to the Lender

- (a) The Company shall promptly indemnify the Lender and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:
 - (i) any failure by the Company to comply with its obligations under Clause 16 (Costs and expenses);
 - (ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
 - (iii) the taking, holding, protection or enforcement of the Transaction Security;
 - (iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Lender and each Receiver and Delegate by the Finance Documents or by law;
 - (v) any default by any Transaction Obligor in the performance of any of the obligations expressed to be assumed by it in the Finance Documents;
 - (vi) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Agreement; or
 - (vii) acting as the Lender, Receiver or Delegate under the Finance Documents or which otherwise relates to any of the Security Assets (otherwise, in each case, than by reason of a Secured Party's gross negligence or wilful misconduct).
- (b) The Company shall promptly indemnify, to the maximum extent permitted under all applicable laws, the Lender, each of its Affiliates and each officer or employee of Lender or any of its Affiliates, against any cost, loss or liability incurred by the Lender or its Affiliate (or officer or employee of the Lender or that Affiliate) in connection with or arising out of the Acquisition or the funding of the Acquisition (including but not limited to those incurred in connection with any litigation, arbitration or administrative proceedings or regulatory enquiry concerning the Acquisition), unless such loss or liability is caused by the fraud, gross negligence or wilful misconduct of the Lender or its Affiliate (or employee or officer of the Lender or that Affiliate). Any Affiliate or any officer or employee of the Lender or any of its Affiliates may rely on this Clause 14.2 subject to Clause 1.4 (Third party rights) and the provisions of the Third Parties Ordinance.
- (c) The Lender and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Security Assets in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 14.4 and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all moneys payable to it.

15. MITIGATION BY THE LENDER

15.1 Mitigation

- (a) The Lender shall, in consultation with the Company, take all reasonable steps to mitigate any circumstances which arise and which would result in the Facility ceasing to be available or any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 7.1 (Illegality), Clause 12 (Taxes) or Clause 13 (Increased Costs) including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.

- (b) Paragraph (a) above does not in any way limit the obligations of any Transaction Obligor under the Finance Documents.

15.2 Limitation of liability

- (a) The Company shall promptly indemnify, to the maximum extent permitted under all the applicable laws, the Lender for all costs and expenses reasonably incurred by the Lender as a result of steps taken by it under Clause 15.1 (Mitigation).
- (b) The Lender is not obliged to take any steps under Clause 15.1 (Mitigation) if, in the opinion of the Lender (acting reasonably), to do so might be prejudicial to it.

16. COSTS AND EXPENSES

16.1 Transaction expenses

The Company shall, within ten Business Days of demand, pay or reimburse the Lender the amount of all costs and expenses (including legal fees, subject to an agreed cap (if any)) reasonably incurred by the Lender (or by any Receiver or Delegate) in connection with the negotiation, preparation, printing, execution and perfection of:

- (a) this Agreement and any other documents referred to in this Agreement or in a Finance Document; and
- (b) any other Finance Documents executed after the date of this Agreement.

16.2 Amendment costs

If:

- (a) a Transaction Obligor requests an amendment, waiver or consent; or
- (b) an amendment is required pursuant to Clause 24.7 (Change of currency).

the Company shall, within ten Business Days of demand, pay or reimburse the Lender for the amount of all costs and expenses (including legal fees, subject to an agreed cap (if any)) reasonably incurred by the Lender, any Receiver or Delegate in responding to, evaluating, negotiating or complying with that request or requirement.

16.3 Enforcement and preservation costs

The Company shall, within five Business Days of demand, pay or reimburse to each Secured Party the amount of all costs and expenses (including legal fees but excluding the cost of any internal management time of the Lender) incurred by that Secured Party in connection with the enforcement of, or the preservation of any rights under, any Finance Document or the Transaction Security and with any proceedings instituted by or against that Secured Party as a consequence of it entering into a Finance Document, taking or holding the Transaction Security, or enforcing those rights.

17. REPRESENTATIONS

The Company makes the representations and warranties set out in this Clause 17 to the Lender on the date of this Agreement.

17.1 Status

- (a) The Company is a company duly incorporated, validly existing and in good standing under the law of its Original Jurisdiction.
- (b) The Company has the power to own its assets and carry on its business in all material respects as it is being conducted.

17.2 Binding obligations

Subject to the Legal Reservations and (in the case of the Security Documents) Perfection Requirements:

- (a) the obligations expressed to be assumed by the Company in each Transaction Document to which it is a party are legal, valid, binding and enforceable obligations; and
- (b) (without limiting the generality of paragraph (a) above) each Security Document to which it is a party creates the security interests which that Security Document purports to create and those security interests are valid and effective.

17.3 Non-conflict with other obligations

The entry into and performance by the Company of, and the transactions contemplated by, the Finance Documents and the granting of the Transaction Security do not and will not conflict with:

- (a) subject to any Legal Reservations, any law or regulation applicable to the Company in any material respect;
- (b) the constitutional documents of the Company; or
- (c) any agreement or instrument binding upon the Company or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument in each case, to the extent that such default or termination event has or is reasonably likely to have a Material Adverse Effect.

17.4 Power and authority

The Company has (or will have by the time of execution of the relevant Finance Document) the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is or will be a party and the transactions contemplated by those Finance Documents.

17.5 Validity and admissibility in evidence

Subject to the Legal Reservations and (in the case of the Security Documents) Perfection Requirements, all Authorisations required:

- (a) to enable the Company lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party; and
- (b) to make each Finance Document to which the Company is a party admissible in evidence in its Relevant Jurisdictions (other than, in respect of the Cayman Islands, the payment of stamp duty referred to in Clause 17.11 (No filing or stamp Taxes)),

have been obtained or effected and are in full force and effect (save for any Authorisation that is not required to be in effect under applicable law or regulation or under the applicable Finance Documents at the time when the representation and warranty under this Clause 17.5 is made or deemed to be made, in which case such Authorisation will, by the earlier of (i) the time such Authorisation is required to be obtained or effected under applicable law or regulation and (ii) the time required under the applicable Finance Documents be obtained or effected, and will thereafter be in full force and effect).

17.6 Governing law and enforcement

Subject to the Legal Reservations:

- (a) the choice of the governing law of the Finance Documents will be recognised and enforced in the Relevant Jurisdictions of the Company; and

- (b) any judgment obtained in relation to a Finance Document in the jurisdiction of the governing law of that Finance Document will be recognised and enforced in the Relevant Jurisdictions of the Company.

17.7 Insolvency

No:

- (a) corporate action, legal proceeding or other procedure or step described in paragraph (a) of Clause 20.6 (Insolvency proceedings); or
- (b) creditors' process described in Clause 20.7 (Creditors' process),

has been taken or, to its knowledge (having made all due and careful enquiries), threatened in relation to the Company; and none of the circumstances described in Clause 20.5 (Insolvency) applies to the Company.

17.8 Holding Company

As at the date of this Agreement, the Company has not:

- (a) traded or carried on any business; or
- (b) incurred any liability or obligation (actual or contingent, present or future),

except as permitted under Clause 19.17 (Holding Company).

17.9 Security and Financial Indebtedness

- (a) No Security or Quasi-Security exists over all or any of the present or future assets of the Company other than as permitted by this Agreement.
- (b) The Company does not have any Financial Indebtedness outstanding other than under this Agreement.

17.10 Deduction of Tax

It is not required under the law applicable in the jurisdiction(s) where the Company is incorporated, organised or resident or at the address specified in this Agreement to make any Tax Deduction from any payment it may make under any Finance Document.

17.11 No filing or stamp Taxes

Under the laws of the Relevant Jurisdiction of the Company, it is not necessary that the Finance Documents to which it is a party be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to such Finance Documents or the transactions contemplated by such Finance Documents except:

- (a) for the entry of the particulars of the Transaction Security created under the Company Debenture in the register of mortgages and charges of the Company in accordance with the Companies Act (as amended) of the Cayman Islands or complying with the other applicable Perfection Requirements (if any); and
- (b) that Cayman Islands stamp duty will be payable in respect of any Finance Document to which the Company is a party that is executed in, brought into or, presented before the courts of, the Cayman Islands,

which registrations, filings, taxes and fees will be made and paid promptly after the date of each such Security Document.

17.12 No Default

- (a) No Event of Default is continuing or is reasonably likely to result from the making of any Utilisation or the entry into, or the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or a termination event (however described) under any other agreement or instrument which is binding on the Company or to which any of its assets are subject which has or is reasonably likely to have a Material Adverse Effect.

17.13 Information

- (a) Save as otherwise disclosed by the Company to the Lender in writing prior to the date of this Agreement, all material written factual information supplied by the Company or on its behalf to the Lender in connection with the Transaction Documents was true and accurate in all material respects as at the date it was provided or as at any date at which it was stated to be given.
- (b) Save as otherwise disclosed by the Company to the Lender in writing prior to the date of this Agreement, any financial projections supplied by the Company or on its behalf to the Lender in connection with the Transaction Documents have been prepared as at their date on the basis of recent historical information and on the basis of assumptions believed by the Company in good faith to be reasonable (as at the date of the document containing the financial projection) and arrived at after careful consideration, it being understood that:
 - (i) such projections are subject to significant uncertainties and contingencies, many of which are beyond the Company's control, and that no assurance can be given that the projections will be realised; and
 - (ii) the Lender will reach its own conclusions as to the reasonableness of any assumptions that are expressed in such projections.
- (c) The expressions of opinion or intention provided by or on behalf of the Company were made after careful consideration and (as at the date of the document containing the expression of opinion or intention) were, in the good faith opinion of the Company, fair and based on reasonable grounds, provided that nothing in this paragraph (c) shall require the Company to review or make any enquiry in relation to matters within the technical or professional expertise of any adviser or any other technical expert or professional adviser.
- (d) The Company has not omitted to supply any information which, if disclosed, would make the information referred to in paragraph (a) above untrue or misleading in any material respect.
- (e) As at the Utilisation Date, nothing has occurred since the date of the information referred to in paragraph (a) above which, if disclosed, would make that information untrue or misleading in any material respect.

17.14 Pari passu ranking

Subject to the Legal Reservations, the payment obligations of the Company under the Finance Documents to which it is a party rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

17.15 No proceedings

- (a) No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which, if adversely determined, are reasonably likely to have a

Material Adverse Effect have, to the best of its knowledge and belief (having made due and careful enquiry), been started or threatened against the Company.

- (b) No judgment or order of a court, arbitral body or agency which is reasonably likely to have a Material Adverse Effect has (to the best of its knowledge and belief (having made all due and careful enquiries)) been made against the Company.

17.16 No breach of laws

The Company has not breached any law or regulation which breach has or is reasonably likely to have a Material Adverse Effect.

17.17 Taxation

- (a) The Company is not overdue in the filing of any Tax returns or in the payment of any amount in respect of Tax.
- (b) No claims or investigations are being made or conducted against the Company with respect to Taxes, where such claim or investigation has or is reasonably likely to have, if determined against the Company, a Material Adverse Effect.
- (c) The Company is resident for Tax purposes only in its Original Jurisdiction.

17.18 Sanctions and Anti-Corruption law

- (a) None of the Company, nor any of its Affiliates, nor, to the knowledge of the Company (having made due and careful enquiry), any of its or their respective directors, officers or employees nor any persons acting on any of its behalf:
 - (i) is a Restricted Party;
 - (ii) has received notice of or is aware of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by any Sanctions Authority;
 - (iii) has conducted its operations at any time in breach of applicable Anti-Money Laundering Laws and Anti-Terrorism Laws;
 - (iv) has engaged in any activity which would breach Anti-Bribery and Corruption Laws; and
 - (v) is subject to or have been threatened with any actions or investigations by any governmental or regulatory agency nor any action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator in relation to a breach of any Anti-Bribery and Corruption Laws or any Anti-Money Laundering Laws and Anti-Terrorism Laws.
- (b) No borrowing, use of proceeds or any other transaction contemplated by this Agreement or any other Finance Document will violate any applicable Sanctions, any applicable Anti-Bribery and Corruption Laws, any applicable Anti-Money Laundering Laws or any applicable Anti-Terrorism Laws.

17.19 Ranking of Security

Subject to the Legal Reservations and Perfection Requirements and other than as a result of the existence of any Security permitted under paragraph (c) of Clause 19.5 (Negative pledge), the Security conferred by each Security Document has, or will have once entered into, the ranking in priority which it is expressed to have in the Security Documents, over the assets referred to, in that Security Document and those assets are not subject to any prior or *pari passu* Security exception for obligations mandatorily preferred by law applying to companies generally.

17.20 Good Title to Assets

The Company has a good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as presently conducted, in each case, where failure to do so has or is reasonably likely to have a Material Adverse Effect.

17.21 Ownership

Each Transaction Obligor is the sole legal and beneficial owner of the respective assets over which it purports to grant Security free from any claims, third party rights or competing interests other than as permitted under paragraph (c) of Clause 19.5 (Negative pledge).

17.22 Acquisition Documents

Subject to publication of the Scheme Documents and the Scheme Circular (in each case as applicable):

- (a) the Scheme Documents contain all of the material terms of the Scheme, and the Scheme Circular reflects the Scheme Announcement in all material respects except for any deviation arising from any request or requirement by the SFC or the Hong Kong Stock Exchange;
- (b) there has been no amendment, waiver or variation to the terms of any Scheme Document since the date on which that Scheme Document is delivered to the Lender under Clause 4.1 (Initial conditions precedent), except as permitted under Clause 19.20 (The Scheme);
- (c) no condition to the Scheme has been waived, amended or varied except as permitted under Clause 19.20 (The Scheme); and
- (d) each of the Irrevocable Undertakings (Director) and the Irrevocable Undertakings (IU Shareholder) has not been revoked, and no condition or term of any Irrevocable Undertaking (Director) or Irrevocable Undertaking (IU Shareholder) has been waived, amended or varied except as permitted under Clause 19.20 (The Scheme).

17.23 Authorised signatures

Any person specified as its authorised signatory under Schedule 1 (Conditions Precedent) or paragraph (e) of Clause 18.1 (Information: miscellaneous) is authorised to sign the Utilisation Request and other notices on its behalf.

17.24 Immunity

The entry into by the Company of each Transaction Document to which it is a party constitutes, and the exercise by it of its rights and performance of its obligations under each Transaction Document will constitute, private and commercial acts performed for private and commercial purposes.

17.25 Times when representations made

- (a) The Repeating Representations are deemed to be made by the Company by reference to the facts and circumstances then existing on the date of each Utilisation Request and on the first day of each Interest Period.
- (b) Each representation or warranty deemed to be made after the date of this Agreement shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

18. INFORMATION UNDERTAKINGS

The undertakings in this Clause 18 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or all or any part of the Total Commitments is in force.

18.1 Information: miscellaneous

The Company shall supply to the Lender:

- (a) at the same time as they are dispatched, copies of all material documents dispatched by the Company or (after the Scheme Effective Date) the Target to its shareholders generally (or any class of them) or its creditors generally (or any class of them) at the same time as they are dispatched, other than, in each case:
 - (i) in the ordinary course of day-to-day business; or
 - (ii) where disclosure is restricted by confidentiality obligations binding on the Company (unless such restriction is overcome) provided that:
 - (A) such confidentiality obligations were not entered into primarily so that such disclosure would be exempted pursuant to this exception); and
 - (B) if the provision of such information to the Lender is restricted pursuant to confidentiality obligations binding on the Company, the Company shall provide such information if such restriction could be overcome by imposing confidentiality obligations on the Lender in respect of such information that are equivalent or substantially the same as the confidentiality obligations that are binding on the Company and the Lender agrees to such confidentiality obligations;
- (b) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings or investigations which are current, threatened or pending against the Company or any of its Subsidiaries, and are reasonably likely to be adversely determined against the Company or its Subsidiaries and which, if adversely determined, are reasonably likely to have a Material Adverse Effect;
- (c) promptly upon becoming aware of them, the details of any judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any Governmental Agency or other regulatory body which is made against the Company or any of its Subsidiaries and which has or is reasonably likely to have a Material Adverse Effect;
- (d) promptly upon becoming aware of them, the details of any circumstances leading to a mandatory prepayment event under Clause 7 (Prepayment and cancellation);
- (e) promptly, notice of any change in authorised signatories of the Company signed by a director of the Company accompanied by specimen signatures of any new authorised signatories; and
- (f) promptly upon request, such further information regarding the financial condition, assets and operations of the Company.

18.2 Notification of Default

- (a) The Company shall notify the Lender of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.
- (b) Promptly upon a request by the Lender, the Company shall supply to the Lender a certificate signed by a director or a senior officer of the Company on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

18.3 Know your customer checks

If:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
- (b) any change in the status of a Transaction Obligor (or of a Holding Company of a Transaction Obligor) or the composition of the shareholders of a Transaction Obligor (or of a Holding Company of a Transaction Obligor) after the date of this Agreement; or
- (c) a proposed assignment or transfer by the Lender of any of its rights and/or obligations under this Agreement,

obliges the Lender (or, in the case of paragraph (c) above, any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Company shall and shall procure that each Transaction Obligor will promptly upon the request of the Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Lender (for itself or, in the case of the event described in paragraph (c) above, on behalf of any prospective new Lender) in order for the Lender or, in the case of the event described in paragraph (c) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

19. GENERAL UNDERTAKINGS

19.1 General undertakings

- (a) The undertakings in this Clause 19 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or all or any part of the Total Commitments is in force.
- (b) References in this Clause 19 to an Obligor which express that that Obligor or other person shall or shall not (or similar terms) will be construed also to mean the Company shall procure that each Obligor or person (as applicable) will comply with the relevant covenant as if it were expressed to be binding on the relevant Obligor or person (as applicable).

19.2 Authorisations

The Company shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) if requested by the Lender, supply certified copies to the Lender of,

any Authorisation required under any law or regulation of a Relevant Jurisdiction to:

- (i) enable it to perform its obligations under the Finance Documents and, subject to the Legal Reservations and Perfection Requirements, to ensure the legality, validity, enforceability or admissibility in evidence of any Finance Document in its Relevant Jurisdiction; or
- (ii) own its assets and carry on its business as it is being conducted where failure to do so has or is reasonably likely to have a Material Adverse Effect.

19.3 Compliance with laws

The Company shall comply in all respects with all laws to which it may be subject, if failure so to comply has or is reasonably likely to have a Material Adverse Effect.

19.4 **Pari passu**

Subject to the Legal Reservations, the Company shall ensure that its payment obligations under the Finance Documents to which it is a party rank and continue to rank at least *pari passu* with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

19.5 **Negative pledge**

In this Agreement, "**Quasi-Security**" means an arrangement or transaction described in paragraph (b) below.

- (a) The Company shall create or permit to subsist any Security over any of its assets.
- (b) The Company shall:
 - (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by it;
 - (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts;
 - (iv) enter into or permit to subsist any title retention arrangement; or
 - (v) enter into any other preferential arrangement having a similar effect,in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.
- (c) Paragraphs (a) and (b) above do not apply to:
 - (i) any Transaction Security and any replacement of such Security or Quasi-Security permitted by the Finance Documents;
 - (ii) any netting or set-off arrangement entered into by the Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
 - (iii) any Security or Quasi-Security granted over any account to a financial institution on that financial institution's standard terms and conditions or under applicable law in respect of that account; or
 - (iv) any lien arising by operation of law and in the ordinary course of trading of the Company.

19.6 **Disposals**

- (a) The Company shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of any of its assets.
- (b) Paragraph (a) above does not apply to any sale, lease, licence, transfer or other disposal:
 - (i) of cash or cash equivalent (including by way of realisation) which is not specifically prohibited by this Agreement;
 - (ii) by way of withdrawal of cash deposited into an account of the Company which is expressly permitted under the Finance Documents or not specifically prohibited by any Finance Document;
 - (iii) arising as a result of any Security permitted under Clause 19.5 (*Negative pledge*).

provided that nothing in this paragraph (b) permits any sale, lease, licence, transfer or other disposal of any Target Share or any of the Company's rights under or in connection with any Target Share.

19.7 Arm's Length Basis

The Company shall not enter into any transaction with any person except on arm's length terms (or better), other than transactions with any other member of the Group.

19.8 Financial Indebtedness

- (a) The Company shall not incur or permit to be outstanding any Financial Indebtedness.
- (b) Paragraph (a) above does not apply to any Financial Indebtedness incurred under the Finance Documents.

19.9 Lending and guarantees

- (a) The Company shall not be the creditor in respect of any loan or any form of credit to any person.
- (b) The Company shall not give or allow to be outstanding any guarantee or indemnity to or for the benefit of any person in respect of any obligation of any other person or enter into any document under which the Company assumes any liability of any other person other than:
 - (i) any guarantee or indemnity given under the Transaction Documents;
 - (ii) customary guarantees and indemnities given in favour of the applicable account holding bank and given as part of that account holding bank's standard terms and conditions or account opening and operation mandate;
 - (iii) customary indemnities given to its professional advisers and consultants under their standard terms of business;
 - (iv) guarantees and indemnities given in favour of directors and officers of the Company in respect of their function as such in connection with the performance of their duties to the Company, which guarantees and indemnities are in a customary form; and
 - (v) guarantees required by a court, tribunal, arbitral body or agency in connection with arbitration and other legal proceedings not otherwise being an Event of Default.

19.10 Merger

The Company shall not enter into any amalgamation, demerger, merger, corporate reconstruction or reduction of capital.

19.11 No change of business

The Company shall procure that, on and from the Settlement Date, no substantial change is made to the general nature of the business of the Company or the Target Group taken as a whole from that carried on at the date of this Agreement.

19.12 Acquisitions

The Company shall not acquire a company or any shares or securities or a business or undertaking (or, in each case, any interests in any of them), except for the Acquisition.

19.13 Joint Venture

The Company shall not:

- (a) invest in or acquire any shares, stocks, securities or other interest in any Joint Venture; or

- (b) transfer any assets or lend to or guarantee or give an indemnity for or give Security or Quasi-Security for the obligations of a Joint Venture or maintain the solvency of or provide working capital to any Joint Venture.

19.14 Preservation of assets

The Company shall maintain in good working order and condition (ordinary wear and tear excepted) all of its assets necessary or desirable in the conduct of its business where failure to do so has or is reasonably likely to have a Material Adverse Effect.

19.15 Amendments

The Company shall not amend, vary, novate, supplement, supersede, waive or terminate any term of its constitutional documents, except for any amendment, variation, supplement, waiver, termination, superseding or rescission which:

- (a) is made for the purpose of removing or limiting any restriction or inhibition on any transfer of any share of the Company which are subject to, or required to be subject to, any Transaction Security on creation or on enforcement of such Transaction Security; or
- (b) does not and is not reasonably likely to have a material adverse effect on the interests of the Lender (taken as a whole) in relation to the borrowing of the Facility or the granting of the Transaction Security.

19.16 Shares, dividends and share redemption

- (a) The Company shall not issue any new shares or amend any rights attaching to its issued shares, other than an issue by the Company to the HoldCo of new shares which:
 - (i) are not redeemable at the option of the HoldCo before the Termination Date; and
 - (ii) (subject to the Legal Reservations and Perfection Requirements) become subject to Transaction Security under the Company Share Charge on the date on which they are issued.
- (b) The Company shall not:
 - (i) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);
 - (ii) repay or distribute any dividend or share premium reserve;
 - (iii) pay, repay or prepay any interest, fees or principal amount of any loan made by the Company;
 - (iv) pay any management, advisory or other fee to or to the order of any of the shareholders of the Company; or
 - (v) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so.

19.17 Holding Company

The Company shall not trade, carry on any business, own any assets or incur any liabilities, indebtedness or commitments (whether actual or contingent), except for:

- (a) implementation of the Acquisition, and acquisition and ownership of Target Shares;
- (b) ownership of cash and cash equivalent investments and bank accounts;
- (c) incurrence of any liabilities under the Transaction Documents to which it is a party;

- (d) incurrence of liabilities for Taxes, professional fees and administration costs in the ordinary course of business as a holding company;
- (e) the payment of salaries to management, directors, officers and employees of the Company;
- (f) normal holding company activities or services of a type customarily provided by a holding company; and
- (g) any non-trading administrative activities desirable to maintain its tax status (provided that such activities do not involve or result in any incurrence of any material liabilities) and general administration activities including those relating to overhead costs and paying filing fees and other ordinary course of day-to-day business expenses (such as audit fees and Taxes) and the fulfilment of any periodic reporting requirements.

19.18 Taxes

The Company shall pay all Taxes due and payable by it prior to the accrual of any fine or penalty for late payment, unless (and only to the extent that):

- (a) payment of those Taxes is being contested in good faith;
- (b) adequate reserves are being maintained for those Taxes; and
- (c) payment of such Taxes can be lawfully withheld.

19.19 Applicable Sanctions, Anti-Corruption Laws and Anti-Terrorism Laws

The Company shall (and shall procure each of its Affiliates will):

- (a) not knowingly (having made due and careful enquiries) transfer, make use of, or provide the benefit of, any funds received from, or services provided by, the Lender to any Restricted Party, or conduct, permit or allow any business activity with any Restricted Party or for business activities that are subject to Sanctions, for any purpose which would breach the Anti-Bribery and Corruption Laws, the Anti-Money Laundering Laws and the Anti-Terrorism Laws or for the purchase of goods the subject of Sanctions, to the extent such contribution or provision of proceeds would be prohibited by Sanctions or would otherwise cause any person to be in breach of Sanctions;
- (b) procure that no proceeds, funds or benefit from any activity or dealing with any Restricted Party or from transactions which would be prohibited by Sanctions, Anti-Bribery and Corruption Laws, Anti-Money Laundering Laws and Anti-Terrorism Laws are knowingly (having made due and careful enquiries) used in discharging any obligation due or owing to the Lender or are credited to any bank account held with the Lender, and that no payment to a Restricted Party is effected, whether to discharge any obligation due or owing to such person or for any other purpose, through the use of any bank account held with the Lender;
- (c) ensure that appropriate controls and safeguards are in place reasonably designed to prevent any proceeds of this Agreement from being used contrary to paragraphs (a) and (b) above; and
- (d) not, nor shall it permit any member of the Group or any of their directors or officers associated with them or anyone acting on their behalf to, engage in any activity which would breach any Sanctions, Anti-Bribery and Corruption Laws, Anti-Money Laundering Laws and Anti-Terrorism Laws in connection with this Agreement.

19.20 The Scheme

- (a) The Company shall ensure that:
 - (i) the Scheme Announcement is issued in all material aspects in substantially the form delivered under Clause 4.1 (Initial conditions precedent);

- (ii) the material terms and conditions relating to the Scheme in the Scheme Circular correspond in all material respects to the terms and conditions of the Scheme as contained in the Scheme Announcement;
 - (iii) the Scheme Documents contain all the material terms and conditions of the Scheme; and
 - (iv) a copy of the Scheme Court Order is delivered to the Registrar of Companies in the Cayman Islands as soon as reasonably practicable after the date of the Scheme Court Order, and in any event within five Business Days of the date of the Scheme Court Order.
- (b) The Company shall not waive, withdraw, decide not to or fail to enforce, amend or vary, in whole or in part, any term or condition of the Scheme or the Acquisition, unless:
 - (i) such waiver, withdrawal, failure to enforce, amendment or variation does not, and is not reasonably likely to, result in any increase in the price payable for the Scheme Shares; and
 - (ii) either:
 - (A) such term or condition is permitted to be waived by the Company as set out in the Scheme Documents; or
 - (B) such waiver, withdrawal, failure to enforce, amendment or variation would not reasonably be expected to materially and adversely affect the interests of the Lender taken as a whole (and any extension of any applicable time period in relation to the Scheme shall not be regarded to materially and adversely affect materially and adversely the interests of the Lender, provided that no such extension shall extend such applicable time period beyond the last day of the Availability Period).
- (c) The Company shall not waive, amend or vary, or treat as satisfied (when not satisfied), any condition or term of any Irrevocable Undertaking (Director) or Irrevocable Undertaking (IU Shareholder) where such waiver, amendment or variation, or such treatment in question as satisfied (when not satisfied), would reasonably be expected to materially and adversely affect the interests of the Lender.
- (d) The Company shall not issue or make or allow to be issued or made, any press release or other publicity which refers to the Facility, any Finance Document or the Lender, other than:
 - (i) the publication of a copy of this Agreement on the website of the SFC as required under the Hong Kong Takeovers Code; or
 - (ii) any other publicity is required by any law or regulation, the Hong Kong Takeovers Code, the SFC, the Grand Court of the Cayman Islands or the Hong Kong Stock Exchange (in which case the Company shall notify the Lender as soon as practicable upon becoming aware of the requirement, shall to the extent practicable consult with the Lender on the terms of the reference and shall have regard to any comments of the Lender).
- (e) The Company shall, promptly upon request by the Lender, supply to the Lender any information relating to the Scheme as the Lender may reasonably request.
- (f) The Company shall:
 - (i) keep the Lender informed as to the status and progress of the Scheme; and
 - (ii) promptly notify the Lender of the occurrence of, and outcome of:

- (A) each general meeting of holders of Target Shares to approve the Scheme; and
- (B) each hearing by the Grand Court of the Cayman Islands of an application to sanction the Scheme.
- (g) The Company shall promptly notify the Lender should the Scheme lapse or be withdrawn, terminated or rescinded by the Company or be dismissed, refused or rejected by the Grand Court of the Cayman Islands.
- (h) The Company shall ensure the compliance with the requirements of the Hong Kong Takeovers Code (subject to any waivers granted by the SFC) and all other applicable laws and regulations in the context of the Scheme and the Acquisition in all material respects.

19.21 Offshore Account

The Company shall ensure that on and from the Settlement Date, the Target will not withdraw any amount from the Offshore Account without the prior written approval of the Lender.

19.22 Conditions subsequent

It shall satisfy the conditions in the manner and timing set out in Schedule 2 (Conditions Subsequent).

20. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Clause 20 is an Event of Default (save for Clause 20.14 (Acceleration)).

20.1 Non-payment

An Obligor does not pay on the due date any amount payable pursuant to a Finance Document at the place and in the currency in which it is expressed to be payable unless:

- (a) its failure to pay is caused by:
 - (i) administrative or technical error; or
 - (ii) a Disruption Event; and
- (b) payment is made within three Business Days of its due date.

20.2 Other obligations

- (a) The Company does not comply with any term of Clause 19.22 (Conditions subsequent).
- (b) A Transaction Obligor does not comply with any provision of the Finance Documents (other than those referred to in paragraph (a) above).
- (c) No Event of Default under paragraph (b) above will occur if the failure to comply is capable of remedy and is remedied within 20 Business Days of the earlier of:
 - (i) the Lender giving notice to the Company; and
 - (ii) any Transaction Obligor becoming aware of the failure to comply.

20.3 Misrepresentation

- (a) Any representation or statement made or deemed to be made by a Transaction Obligor in the Finance Documents or any other document delivered by or on behalf of any Transaction Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

- (b) No Event of Default under paragraph (a) above will occur if the event or circumstance giving rise to the misrepresentation or misstatement is capable of remedy and is remedied within 20 Business Days of the earlier of:
 - (i) the Lender giving notice to the Company; and
 - (ii) any Transaction Obligor becoming aware of such event or circumstance.

20.4 Cross Default

- (a) Any Financial Indebtedness of a Transaction Obligor is not paid when due nor within any originally applicable grace period.
- (b) Any Financial Indebtedness of a Transaction Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any commitment for any Financial Indebtedness of a Transaction Obligor is cancelled or suspended by a creditor of that Transaction Obligor as a result of an event of default (however described).
- (d) Any creditor of a Transaction Obligor becomes entitled to declare any Financial Indebtedness of that Transaction Obligor and payable prior to its specified maturity as a result of an event of default (however described).
- (e) No Event of Default will occur under this Clause 20.4 in respect of any Financial Indebtedness or commitment for Financial Indebtedness of the Target if:
 - (i) the aggregate amount of the Financial Indebtedness or commitment for Financial Indebtedness of the Target falling within paragraphs (a) to (d) above is less than HK\$7,800,000 (or its equivalent in any other currency or currencies); or
 - (ii) that Financial Indebtedness is in respect of any derivative transaction which is terminated as a result of an event of default (however described) with respect to any counterparty or a credit support provider for or specified entity of any counterparty rather than with respect to a member of the Group.

20.5 Insolvency

- (a) A Transaction Obligor:
 - (i) is unable or admits inability to pay its debts as they fall due or admits that it is insolvent or bankrupt;
 - (ii) is deemed to, or is declared to, be unable to pay its debts under applicable law;
 - (iii) by reason of actual or anticipated financial difficulties:
 - (A) suspends or threatens to suspend making payments on any of its debts;
 - (B) makes a general assignment for the benefit of its creditors; or
 - (C) commences negotiations with one or more of its creditors (excluding the Lender in its capacity as such) with a view to rescheduling any of its indebtedness.
- (b) A moratorium is declared in respect of any indebtedness of any Transaction Obligor. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

20.6 Insolvency proceedings

- (a) Any corporate action, legal proceedings or other procedure or step is taken or occurs in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, striking-off, liquidation, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Transaction Obligor;
 - (ii) a composition, compromise, assignment, settlement, adjustment or arrangement with any creditor of any Transaction Obligor (including for certainty, any corporate action, legal proceedings or other procedure or step taken under or pursuant to any applicable corporations legislation to the extent the relief sought under such corporations legislation relates to or involves the compromise, settlement, adjustment or arrangement of debt);
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager, trustee, sequestrator, conservator, custodian or other similar officer in respect of any Transaction Obligor; or
 - (iv) enforcement of any Security over any assets of any Transaction Obligor;or any analogous procedure or step is taken in any jurisdiction.
- (b) Paragraph (a) above shall not apply to any winding-up or bankruptcy petition which is frivolous or vexatious and is discharged, stayed or dismissed within 21 days of commencement.

20.7 Creditors' process

- (a) Any expropriation, attachment, seizure, sequestration, distress or execution, garnishment, levy or any analogous process in any jurisdiction affects any asset or assets of a Transaction Obligor.
- (b) No Event of Default under paragraph (a) above will occur:
 - (i) in respect of the Target if:
 - (A) the aggregate value of the asset or assets of the Target which are subject to expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction is less than HK\$7,800,000 (or its equivalent in any other currency or currencies); or
 - (B) such expropriation, attachment, sequestration, distress or execution or any analogous process is being contested in good faith or is frivolous or vexatious and, in each case, is discharged, permanently stayed or dismissed within 21 days
 - (ii) in respect of any other Transaction Obligor if such expropriation, attachment, sequestration, distress or execution or any analogous process is being contested in good faith or is frivolous or vexatious and, in each case, is discharged, permanently stayed or dismissed within 21 days.

20.8 Cessation of business

A Transaction Obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business.

20.9 Unlawfulness and invalidity

- (a) Subject to the Legal Reservations and Perfection Requirements, it is or becomes unlawful for a Transaction Obligor to perform any of its obligations under the Finance Documents or any Transaction Security created or expressed to be created or evidenced by the Security Documents ceases to be effective or to have the ranking and priority it is expressed to have.
- (b) Subject to the Legal Reservations and Perfection Requirements, any obligation or obligations of a Transaction Obligor under any Finance Documents are not or cease to be legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Lender under the Finance Documents.
- (c) Any Finance Document ceases to be in full force and effect or any Transaction Security ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than the Lender) to be ineffective.

20.10 Repudiation and rescission of agreements

A Transaction Obligor rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or any of the Transaction Security or evidences an intention to rescind or repudiate a Finance Document or any Transaction Security.

20.11 Litigation

Any litigation, arbitration or administrative proceedings is commenced against any Transaction Obligor which has or is reasonably likely to be adversely determined against such Transaction Obligor and, if so adversely determined, is reasonably likely to have a Material Adverse Effect.

20.12 Expropriation

The authority or ability of the any Transaction Obligor to conduct its business is limited or wholly or substantially curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action by or on behalf of any Governmental Agency or other person in relation to any Transaction Obligor or any of its assets and such limitation or curtailment has or is reasonably likely to have a Material Adverse Effect.

20.13 Material adverse change

Any event or circumstance occurs which has a Material Adverse Effect.

20.14 Acceleration

Subject to Clause 4.2 (Further conditions precedent), on and at any time after the occurrence of an Event of Default which is continuing the Lender may, by notice to the Company:

- (a) cancel the Total Commitments whereupon they shall immediately be cancelled; and/or
- (b) declare that all or part of the Loan, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (c) declare that all or part of the Loan be payable on demand, whereupon they shall immediately become payable on demand by the Lender; and/or
- (d) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents.

21. CHANGES TO THE LENDER

21.1 Assignments and transfers by the Lender

Subject to this Clause 21, the Lender (the "**Existing Lender**") may:

- (a) assign any of its rights; or
 - (b) transfer by novation any of its rights and obligations,
- to any other person (the "**New Lender**").

21.2 Conditions of assignment or transfer

- (a) The prior written consent of the Company is required for any assignment or transfer made by the Lender under this Clause 21, unless that assignment or transfer is made to:
 - (i) an Affiliate of the Lender; or
 - (ii) any other person at a time while an Event of Default is continuing.
- (b) The written consent of the Financial Adviser is also required for any assignment or transfer by the Lender during the Availability Period.
- (c) An assignment will only be effective on:
 - (i) receipt by the Existing Lender (whether in the Assignment Agreement or otherwise) of written confirmation from the New Lender that the New Lender will assume the same obligations under this Agreement as it would have been under if it had been an Original Lender; and
 - (ii) performance by the Existing Lender of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender.
- (d) A transfer will only be effective if the procedure set out in Clause 21.4 (Procedure for transfer) is complied with.
- (e) If:
 - (i) the Lender assigns or transfers any of its rights or obligations under the Finance Documents or changes its Facility Office; and
 - (ii) as a result of circumstances existing at the date the assignment, transfer or change occurs, a Transaction Obligor would be obliged to make a payment to the New Lender or the Lender acting through its new Facility Office under Clause 12 (Taxes) or Clause 13 (Increased Costs),

then the New Lender or the Existing Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or the Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred.

21.3 Limitation of responsibility of the Existing Lender

- (a) Unless expressly agreed to the contrary, the Existing Lender makes no representation or warranty and assumes no responsibility to the New Lender for:
 - (i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents;
 - (ii) the financial condition of any Transaction Obligor;
 - (iii) the performance and observance by any Transaction Obligor of its obligations under the Finance Documents or any other documents; or

- (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,
- and any representations or warranties implied by law are excluded.
- (b) The New Lender confirms to the Existing Lender that it:
 - (i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Transaction Obligor and its related entities in connection with this Agreement and has not relied exclusively on any information provided to it by the Existing Lender in connection with any Finance Document; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of each Transaction Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or all or any part of the Total Commitments is in force.
 - (c) Nothing in any Finance Document obliges the Existing Lender to:
 - (i) accept a re-transfer or re-assignment from the New Lender of any of the rights and obligations assigned or transferred under this Clause 21; or
 - (ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Transaction Obligor of its obligations under the Finance Documents or otherwise.

21.4 Procedure for transfer

- (a) Subject to the conditions set out in Clause 21.2 (Conditions of assignment or transfer), a transfer by the Existing Lender of any or all of its rights and obligations under this Agreement is effected in accordance with paragraph (b) below when the Existing Lender and the New Lender each execute an otherwise duly completed Transfer Certificate.
- (b) On the Transfer Date:
 - (i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents each of the Transaction Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another under the Finance Documents shall be cancelled (being the **"Discharged Rights and Obligations"**);
 - (ii) each of the Transaction Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Transaction Obligor and the New Lender have assumed and/or acquired the same in place of that Transaction Obligor and the Existing Lender; and
 - (iii) the New Lender shall become a Party as a "Lender".

21.5 Procedure for assignment

- (a) Subject to the conditions set out in Clause 21.2 (Conditions of assignment or transfer), an assignment may be effected in accordance with paragraph (b) below when the Existing Lender and the New Lender execute an Assignment Agreement.
- (b) On the Transfer Date:

- (i) the Existing Lender will assign absolutely to the New Lender the rights under the Finance Documents expressed to be the subject of the assignment in the Assignment Agreement;
 - (ii) the Existing Lender will be released by each Transaction Obligor from the obligations owed by it (the "**Relevant Obligations**") and expressed to be the subject of the release in the Assignment Agreement; and
 - (iii) the New Lender shall become a Party as a "Lender" and will be bound by obligations equivalent to the Relevant Obligations.
- (c) The Lender may utilise procedures other than those set out in this Clause 21.5 to assign their rights under the Finance Documents (but not without the consent of the relevant Transaction Obligor or unless in accordance with Clause 21.4 (Procedure for transfer), to obtain a release by that Transaction Obligor from the obligations owed to that Transaction Obligor by the Lender nor the assumption of equivalent obligations by a New Lender) **provided that** they comply with the conditions set out in Clause 21.2 (Conditions of assignment or transfer).

21.6 Existing consents and waivers

The New Lender shall be bound by any consent, waiver, election or decision given or made by the Existing Lender under or pursuant to any Finance Document prior to the coming into effect of the relevant assignment or transfer to the New Lender.

21.7 Security over Lender's rights

In addition to the other rights provided to Lender under this Clause 21, the Lender may without consulting with or obtaining consent from any Transaction Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of the Lender including, without limitation:

- (a) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and
- (b) any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by the Lender as security for those obligations or securities,

except that no such charge, assignment or Security shall:

- (i) release the Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security for the Lender as a party to any of the Finance Documents; or
- (ii) require any payments to be made by a Transaction Obligor other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the Lender under the Finance Documents.

22. CHANGES TO THE TRANSACTION OBLIGORS

22.1 Assignments and transfer by Transaction Obligors

No Transaction Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

23. CONDUCT OF BUSINESS BY THE LENDER

No provision of this Agreement will:

- (a) interfere with the right of the Lender to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige the Lender to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige the Lender to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

24. PAYMENT MECHANICS

24.1 Payments to the Lender

- (a) On each date on which a Transaction Obligor is required to make a payment under a Finance Document, that Transaction Obligor shall make the same available to the Lender (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Lender as being customary at the time for settlement of transactions in the relevant currency in the place of payment.
- (b) Payment shall be made to such account in the principal financial centre of the country of that currency and with such bank as the Lender, in each case, specifies.

24.2 Distributions to a Transaction Obligor

The Lender may (with the consent of the Transaction Obligor or in accordance with Clause 25 (Set-off)) apply any amount received by it for that Transaction Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Transaction Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

24.3 Partial payments

- (a) If the Lender receives a payment that is insufficient to discharge all the amounts then due and payable by a Transaction Obligor under the Finance Documents, the Lender shall apply that payment towards the obligations of that Transaction Obligor under the Finance Documents in the following order:
 - (i) **first**, in or towards payment of any unpaid amount owing to any Receiver or any Delegate under the Finance Documents;
 - (ii) **secondly**, in or towards payment of any accrued interest and fees due but unpaid under this Agreement;
 - (iii) **thirdly**, in or towards payment of any principal due but unpaid under this Agreement; and
 - (iv) **fourthly**, in or towards payment of any other sum due but unpaid under the Finance Documents.
- (b) The Lender may vary the order set out in paragraph (a) above.
- (c) Paragraphs (a) and (b) above will override any appropriation made by a Transaction Obligor.

24.4 No set-off by Transaction Obligors

All payments to be made by a Transaction Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

24.5 Business Days

- (a) Any payment under the Finance Documents which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

24.6 Currency of account

- (a) Subject to paragraphs (b) and (c) below, HK dollars is the currency of account and payment for any sum due from a Transaction Obligor under any Finance Document.
- (b) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.
- (c) Any amount expressed to be payable in a currency other than HK dollars shall be paid in that other currency.

24.7 Change of currency

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
 - (i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Lender (after consultation with the Company); and
 - (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Lender (acting reasonably).
- (b) If a change in any currency of a country occurs, this Agreement will, to the extent the Lender (acting reasonably and after consultation with the Company) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Market and otherwise to reflect the change in currency.

24.8 Disruption to payment systems etc

If either the Lender determines (in its discretion) that a Disruption Event has occurred or the Lender is notified by the Company that a Disruption Event has occurred:

- (a) the Lender may, and shall if requested to do so by the Company, consult with the Company with a view to agreeing with the Company such changes to the operation or administration of the Facility as the Lender may deem necessary in the circumstances;
- (b) the Lender shall not be obliged to consult with the Company in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;
- (c) any such changes agreed upon by the Lender and the Company shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 30 (Amendments and waivers); and
- (d) the Lender shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross

negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Lender) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 24.8.

25. SET-OFF

Following the occurrence of an Acceleration Event, the Lender may set off any matured obligation due from a Transaction Obligor under the Finance Documents (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to that Transaction Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

26. NOTICES

26.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

26.2 Addresses

The address, fax number and e-mail address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

- (a) in the case of the Company, that identified with its name below; and
- (b) in the case of the Lender, that identified with its name below,

or any substitute address, fax number or e-mail address or department or officer as the Party may notify to the other Party by not less than five Business Days' notice.

26.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 26.2 (Addresses), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).
- (c) Any communication or document made or delivered to the Company in accordance with this Clause will be deemed to have been made or delivered to each of the Transaction Obligors.
- (d) Any communication or document which becomes effective, in accordance with paragraphs (a) to (c) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

26.4 Electronic communication

- (a) Any communication to be made between any two Parties under or in connection with the Finance Documents may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any such electronic communication as specified in paragraph (a) above to be made between a Transaction Obligor and the Lender may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.
- (c) Any such electronic communication as specified in paragraph (a) above made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Lender only if it is addressed in such a manner as the Lender shall specify for this purpose.
- (d) Any electronic communication which becomes effective, in accordance with paragraph (c) above, after 5.00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.
- (e) Any reference in a Finance Document to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 26.4.

26.5 English language

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

27. CALCULATIONS AND CERTIFICATES

27.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by the Lender are *prima facie* evidence of the matters to which they relate.

27.2 Certificates and determinations

Any certification or determination by the Lender of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

27.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days or, in any case where the practice in the Relevant Market differs, in accordance with that market practice.

28. PARTIAL INVALIDITY

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

29. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of the Lender shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

30. AMENDMENTS AND WAIVERS

30.1 Required consents

- (a) Subject to paragraph (b) below, any term of the Finance Documents may be amended or waived only with the consent of the Lender and the Company and any such amendment or waiver will be binding on all Parties.
- (b) An amendment or waiver (made on or prior to the last day of the Availability Period) which relates to any of the definitions of "Financial Adviser", Clause 5.2 (Completion of a Utilisation Request), Clause 21.2 (Conditions of assignment or transfer) or this paragraph (b) may not be effected without the written consent of the Financial Adviser, and any amendment or waiver which relates to any other rights or obligations of the Financial Adviser under any other provision of this Agreement expressed to be in favour of the Financial Adviser may not be effected without the written consent of the Financial Adviser.

30.2 Replacement of Screen Rate

- (a) If a Screen Rate Replacement Event has occurred in relation to any Screen Rate for HK dollars, any amendment or waiver which relates to:
 - (i) providing for the use of a Replacement Benchmark in relation to HK dollars in place of that Screen Rate; and
 - (ii)
 - (A) aligning any provision of any Finance Document to the use of that Replacement Benchmark;
 - (B) enabling that Replacement Benchmark to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Benchmark to be used for the purposes of this Agreement);
 - (C) implementing market conventions applicable to that Replacement Benchmark;
 - (D) providing for appropriate fallback (and market disruption) provisions for that Replacement Benchmark; or
 - (E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Benchmark (and if any

adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Lender and the Company.

(b) In this Clause 30.2:

"Relevant Nominating Body" means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

"Replacement Benchmark" means a benchmark rate which is:

- (i) formally designated, nominated or recommended as the replacement for a Screen Rate by:
 - (A) the administrator of that Screen Rate (provided that the market or economic reality that such benchmark rate measures is the same as that measured by that Screen Rate) or
 - (B) any Relevant Nominating Body,and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "Replacement Benchmark" will be the replacement under paragraph (B) above;
- (ii) in the opinion of the Lender and the Company, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Screen Rate; or
- (iii) in the opinion of the Lender and the Company, an appropriate successor to a Screen Rate.

"Screen Rate Replacement Event" means, in relation to a Screen Rate:

- (i) the methodology, formula or other means of determining that Screen Rate has, in the opinion of the Lender and the Company, materially changed;
- (ii)
 - (A)
 - (1) the administrator of that Screen Rate or its supervisor publicly announces that such administrator is insolvent; or
 - (2) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Screen Rate is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide that Screen Rate;

- (B) the administrator of that Screen Rate publicly announces that it has ceased or will cease to provide that Screen Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Screen Rate;

- (C) the supervisor of the administrator of that Screen Rate publicly announces that such Screen Rate has been or will be permanently or indefinitely discontinued; or
- (D) the administrator of that Screen Rate or its supervisor announces that that Screen Rate may no longer be used;
- (iii) the administrator of that Screen Rate determines that that Screen Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and the circumstance(s) or event(s) leading to such determination are not (in the opinion of Lender and the Company) temporary; or
- (iv) in the opinion of the Lender and the Company, that Screen Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement.

31. CONFIDENTIAL INFORMATION

31.1 Confidentiality

The Lender agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 31.2 (Disclosure of Confidential Information), and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

31.2 Disclosure of Confidential Information

The Lender may disclose:

- (a) to any of its Affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives such Confidential Information as the Lender shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;
- (b) to any person:
 - (i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents and to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
 - (ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Transaction Obligors and to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
 - (iii) appointed by the Lender or by a person to whom paragraph (i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf;
 - (iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraph (b)(i) or (ii) above;

- (v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
- (vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
- (vii) to whom information is required to be disclosed in connection with any insurance;
- (viii) to whom or for whose benefit the Lender charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 21.7 (Security over Lender's rights);
- (ix) who is a Party, a member of the Group or any related entity of an Transaction Obligor; or
- (x) with the consent of the Company;

in each case, such Confidential Information as the Lender shall consider appropriate if:

- (A) in relation to paragraphs (b)(i), (b)(ii) and (b)(iii) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;
- (B) in relation to paragraph (b)(iv) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information;
- (C) in relation to paragraphs (b)(v) to (b)(viii) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Lender, it is not practicable so to do in the circumstances; and
- (c) to any person appointed by the Lender or by a person to whom paragraph (b)(i) or (b)(ii) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the APLMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Company and the Lender; and
- (d) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Transaction Obligors if the rating agency to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information.

31.3 Data Policy

- (a) The Company agrees that the applicable "Data Policy Notice" and other communications to customers concerning its data from time to time issued by the Lender (a member of the DBS Group) shall apply. A copy is available on request at any branch of the Lender or from its website.
- (b) The Company agrees that all information obtained from any sources or that arises from the relationship with the Lender (or any other member of the DBS Group) ("**data**") will be subject to such policies/or other communications (as may be varied from time to time).
- (c) The Company agrees in particular that the Lender may in compliance with and subject to the Data Policy Notice:
 - (i) verify, provide and collect information about the Company's data to or from other organizations, institutions or other persons;
 - (ii) transfer the data outside Hong Kong, including a transfer to Singapore; and
 - (iii) compare any data obtained with the Company's data and use the results for taking of any actions including actions that may be adverse to the Company's interest (including declining any application).
- (d) The Company agrees to be bound by the provisions of the Data Policy Notice and other communications, which shall form part of the Company's agreement with the Lender.
- (e) The Company confirms that each individual whose personal data the Company gives the Lender has provided the Company with their consent to the Lender's receiving, holding and processing those personal data in accordance with the Data Policy Notice.

31.4 Entire agreement

This Clause 31 constitutes the entire agreement between the Parties in relation to the obligations of the Lender under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

31.5 Inside information

The Lender acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and the Lender undertakes not to use any Confidential Information for any unlawful purpose.

31.6 Notification of disclosure

The Lender agrees (to the extent permitted by law and regulation) to inform the Company:

- (a) of the circumstances of any disclosure of Confidential Information made pursuant to paragraph (b)(v) of Clause 31.2 (Disclosure of Confidential Information) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 31.

31.7 Continuing obligations

The obligations in this Clause 31 are continuing and, in particular, shall survive and remain binding on the Lender for a period of 12 Months from the earlier of:

- (a) the date on which all amounts payable by the Transaction Obligors under or in connection with the Finance Documents have been paid in full and the Total Commitments have been cancelled or otherwise cease to be available; and
- (b) the date on which the Lender otherwise ceases to be the Lender.

32. COUNTERPARTS

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

33. GOVERNING LAW

This Agreement is governed by and construed in accordance with Hong Kong law.

34. ENFORCEMENT

34.1 Jurisdiction

- (a) Unless specifically provided in another Finance Document in relation to that Finance Document, the Hong Kong courts have exclusive jurisdiction to settle any dispute arising out of or in connection with any Finance Document (including a dispute relating to the existence, validity or termination of any Finance Document) (a "**Dispute**").
- (b) The Parties agree that the courts of Hong Kong are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) Notwithstanding paragraphs (a) and (b) above, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

34.2 Service of Process

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Company:
 - (i) irrevocably appoints Ecomine Co., Limited as its agent for service of process in relation to any proceedings before the Hong Kong courts in connection with any Finance Document; and
 - (ii) agrees that failure by a process agent to notify the Company of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as agent for service of process is unable for any reason to act as agent for the service of process, the Company must immediately (and in any event within three (3) days of such event taking place) appoint another agent on terms acceptable to the Lender. Failing this, the Lender may appoint another agent for this purpose.

34.3 Waiver of immunity

The Company irrevocably and unconditionally waives to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;
- (d) attachment of its assets (whether before or after judgment); and

- (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1

CONDITIONS PRECEDENT

1. Transaction Obligors

- (a) A copy of the constitutional documents of each of the Company and the HoldCo, including:
 - (i) certificate of incorporation and (if any) certificate of change of name;
 - (ii) memorandum and articles of association;
 - (iii) register of directors;
 - (iv) register of members; and
 - (v) register of mortgages and charges.
- (b) A copy of a resolution or minutes of meeting of the board of directors of each of the Company and the HoldCo:
 - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
 - (ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf; and
 - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party.
- (c) A copy of a resolution signed by all the holders of the issued shares of the Company, approving the amendment of its memorandum and articles of association to remove any restrictions or conditions on transfer or registration of transfer of issued shares in it pursuant to enforcement of the Company Share Charge.
- (d) A specimen of the signature of each person authorised by the resolution referred to in paragraphs (b) above in relation to the Finance Documents and related documents.
- (e) A copy of a certificate of good standing relating to each of the Company and the HoldCo issued by the Registrar of Companies in the Cayman Islands.
- (f) A certificate of each of the Company and the HoldCo (signed by a director) confirming that borrowing or securing, as appropriate, the Total Commitments would not cause any borrowing security or similar limit binding on that party to be exceeded.
- (g) A certificate of a director of each of the Company and the HoldCo certifying that each copy of document relating to it is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.

2. Finance Documents

- (a) Each of the following documents, duly executed by each party to it:
 - (i) this Agreement;
 - (ii) the Fee Letter;
 - (iii) the Company Debenture; and
 - (iv) the Company Share Charge.

- (b) A copy of each notice and other document required to be executed and sent or delivered and each acknowledgement or consent then required to be obtained by any Transaction Obligor under each Security Document to which it is a party on or prior to the Utilisation Date.
- (c) All transfers and stock transfer forms or equivalent in relation to the issued shares of the Company duly executed by the HoldCo in blank where required under the Company Share Charge.

3. Legal opinions

- (a) A legal opinion of Baker & McKenzie, legal advisers to the Lender in Hong Kong, addressed to the Lender.
- (b) A legal opinion of Walkers (Singapore) Limited Liability Partnership, Cayman Islands law legal advisers to the Lender, addressed to the Lender.

4. Scheme information

- (a) The Scheme Announcement.
- (b) The Scheme Circular.
- (c) The Scheme Resolutions.
- (d) The Irrevocable Undertaking (Director) of each director of the Target.
- (e) The Irrevocable Undertakings (IU Shareholder).
- (f) A copy of the Scheme Court Order and evidence that it has been registered with the Registrar of Companies in the Cayman Islands (which evidence may be in the form of a copy of the Scheme Court Order stamped (including electronically) by the Registrar of Companies of the Cayman Islands confirming receipt thereof or other evidence acceptable to the Lender).
- (g) An announcement issued or to be issued by the Target announcing that the Scheme Effective Date has occurred.

5. Other documents and evidence

- (a) Evidence that any process agent referred to in any Finance Document (other than the Target Account Charge) has accepted its appointment.
- (b) Evidence that any other fees, and the costs and expenses then due from the Company on or before the Utilisation Date under the Fee Letter have been or will be paid on or before the Utilisation Date.

SCHEDULE 2

CONDITIONS SUBSEQUENT

1. Target Account Charge and Target Shares

- (a) On the Settlement Date:
 - (i) a copy of the constitutional documents of the Target, including:
 - (A) certificate of incorporation and (if any) certificate of incorporation on change of name;
 - (B) memorandum of association and articles of association;
 - (C) register of directors;
 - (D) register of members; and
 - (E) register of mortgages and charges;
 - (ii) a copy of a certificate of good standing of the Target issued by the Registrar of Companies in the Cayman Islands (to be dated no earlier than one month prior to the date of the Target Account Charge);
 - (iii) a copy of a resolution of the board of directors of the Target:
 - (A) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
 - (B) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf; and
 - (C) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party;
 - (iv) a copy of a resolution signed by all the holders of the issued shares of the Target, approving the terms of, and the transactions contemplated by, the Target Account Charge and the amendment of its memorandum and articles of association to remove any restrictions or conditions on transfer or registration of transfer of issued shares in it pursuant to enforcement of the Company Debenture;
 - (v) a specimen of the signature of each person authorised by the resolution referred to in paragraphs (c) above in relation to the Finance Documents and related documents;
 - (vi) a certificate of the Target (signed by a director) confirming that securing the Total Commitments would not cause any security or similar limit binding on the Target to be exceeded;
 - (vii) a certificate of a director of the Target certifying that each copy of document relating to it is correct, complete and in full force and effect;
 - (viii) a copy of the Target Account Charge duly executed by each party to it;
 - (ix) a copy of each notice and other document required to be executed and sent or delivered and each acknowledgement then required to be obtained by the Company under the Target Account Charge on the Settlement Date;
 - (x) all transfers and stock transfer forms or equivalent in relation to the Target Shares duly executed by the Company in blank where required under the Company Debenture;

- (xi) a legal opinion of Baker & McKenzie, legal advisers to the Lender in Hong Kong, addressed to the Lender; and
 - (xii) a legal opinion of Walkers (Singapore) Limited Liability Partnership, Cayman Islands law legal advisers to the Lender, addressed to the Lender.
- (b) By no later than the date falling 15 Business Days after the Settlement Date, each document then required to be executed and sent or delivered by the Company or the Target under paragraph (b) of clause 5.3 (Deposit) the Company Debenture.

2. Target Guarantee

By no later than the earlier of (A) the date falling 90 days after the Settlement Date and (B) the first day after the Settlement Date on which the amount standing to the credit of the Offshore Account is or becomes less than the amount of the Loan then outstanding:

- (a) a copy of the constitutional documents of the Target, including:
 - (i) certificate of incorporation and (if any) certificate of incorporation on change of name;
 - (ii) memorandum of association and articles of association;
 - (iii) register of directors;
 - (iv) register of members; and
 - (v) register of mortgages and charges;
- (b) a copy of a certificate of good standing of the Target issued by the Registrar of Companies in the Cayman Islands (to be dated no earlier than one month prior to the date of the Target Guarantee);
- (c) a copy of a resolution of board of directors of the Target:
 - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
 - (ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf; and
 - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party;
- (d) a copy of a resolution signed by all the holders of the issued shares of the Target, approving the terms of, and the transactions contemplated by, the Target Guarantee;
- (e) a specimen of the signature of each person authorised by the resolution referred to in paragraphs (c) above in relation to the Finance Documents and related documents;
- (f) a certificate of the Target (signed by a director) confirming that guaranteeing the Total Commitments would not cause any guarantee or similar limit binding on the Target to be exceeded;
- (g) a certificate of a director of the Target certifying that each copy of document relating to it is correct, complete and in full force and effect;
- (h) a copy of the Target Guarantee duly executed by each party to it;

- (i) a legal opinion of Baker & McKenzie, legal advisers to the Lender in Hong Kong, addressed to the Lender; and
- (j) a legal opinion of Walkers (Singapore) Limited Liability Partnership, Cayman Islands law legal advisers to the Lender, addressed to the Lender.

**SCHEDULE 3
REQUESTS**

**PART I
UTILISATION REQUEST**

From: **VICTORY III CO., LTD** (incorporated under the laws of the Cayman Islands with limited liability)
as Company

To: **DBS BANK (HONG KONG) LIMITED** as Lender

Dated:

Dear Sirs

Victory III Co., Ltd – HK\$1,014,000,000 Facility Agreement dated [●] 2024 (the "Agreement")

1. We refer to the Agreement. This is a Utilisation Request. Terms defined in the Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to borrow the Loan on the following terms:

Proposed Utilisation Date: [] (or, if that is not a Business Day,
the next Business Day)

Amount: HK\$[]

Interest Period []

3. We confirm that each condition specified in clause 4.2 (Further conditions precedent) of the Agreement is satisfied on the date of this Utilisation Request.

4. The proceeds of the Loan should be applied in the following manner:

(a) an amount of HK\$[●] should be deducted from the proceeds of the Loan and applied towards payment of the fees due and payable by the Company under clause 11 (Fees) of the Agreement on the proposed Utilisation Date; and

(b) an amount of HK\$[●] should be credited to the Loan Proceeds Account for payment of the Acquisition Consideration and the payment of the fees (other than the fees due and payable by the Company under clause 11 (Fees) of the Agreement on the proposed Utilisation Date), costs and expenses (including stamp Taxes) incurred by or charged to the Company in connection with the Acquisition and the Finance Documents.

5. This Utilisation Request is irrevocable.

Yours faithfully

.....

authorised signatory for

VICTORY III CO., LTD

PART II
SELECTION NOTICE

From: **VICTORY III CO., LTD** (incorporated under the laws of the Cayman Islands with limited liability)
as Company

To: **DBS BANK (HONG KONG) LIMITED** as Lender

Dated:

Dear Sirs

Victory III Co., Ltd – HK\$1,014,000,000 Facility Agreement dated [●] 2024 (the "Agreement")

1. We refer to the Agreement. This is a Selection Notice. Terms defined in the Agreement shall have the same meaning in this Selection Notice.
2. We refer to the Loan with an Interest Period ending on []
3. [We request that the next Interest Period for the above Loan is []].
4. This Selection Notice is irrevocable.

Yours faithfully

.....

authorised signatory for

VICTORY III CO., LTD

PART III
EXTENSION REQUEST (FIRST EXTENDED TERMINATION DATE)

From: **VICTORY III CO., LTD** (incorporated under the laws of the Cayman Islands with limited liability)
as Company

To: **DBS BANK (HONG KONG) LIMITED** as Lender

Dated:

Dear Sirs

Victory III Co., Ltd – HK\$1,014,000,000 Facility Agreement dated [●] 2024 (the "Agreement")

1. We refer to the Agreement. This is an Extension Request (First Extended Termination Date). Terms defined in the Agreement shall have the same meaning in this Extension Request (First Extended Termination Date).
2. We wish to extend the Termination Date to the First Extended Termination Date in accordance with Clause 5.6 (Extension option (Termination Date)) of the Agreement.
3. We confirm that each condition specified in paragraph (c)(i) of Clause 5.6 (Extension option (Termination Date)) of the Agreement is satisfied on the date of this Termination Date Extension Request, and, unless we notify to you to the contrary, you may assume that each such condition shall remain satisfied on the Initial Termination Date by reference to facts and circumstances then existing.
4. This Extension Request (First Extended Termination Date) is irrevocable.

Yours faithfully

.....
authorised signatory for

VICTORY III CO., LTD

PART IV
EXTENSION REQUEST (SECOND EXTENDED TERMINATION DATE)

From: **VICTORY III CO., LTD** (incorporated under the laws of the Cayman Islands with limited liability)
as Company

To: **DBS BANK (HONG KONG) LIMITED** as Lender

Dated:

Dear Sirs

Victory III Co., Ltd – HK\$1,014,000,000 Facility Agreement dated [●] 2024 (the "Agreement")

5. We refer to the Agreement. This is an Extension Request (Second Extended Termination Date). Terms defined in the Agreement shall have the same meaning in this Extension Request (Second Extended Termination Date).
6. We wish to extend the Termination Date to the Second Extended Termination Date in accordance with Clause 5.6 (Extension option (Termination Date)) of the Agreement.
7. We confirm that each condition specified in paragraph (c)(i) of Clause 5.6 (Extension option (Termination Date)) of the Agreement is satisfied on the date of this Extension Request (Second Extended Termination Date), and, unless we notify to you to the contrary, you may assume that each such condition shall remain satisfied on the First Extended Termination Date by reference to facts and circumstances then existing.
8. This Extension Request (Second Extended Termination Date) is irrevocable.

Yours faithfully

.....
authorised signatory for

VICTORY III CO., LTD

PART V
EXTENSION REQUEST (AVAILABILITY PERIOD)

From: **VICTORY III CO., LTD** (incorporated under the laws of the Cayman Islands with limited liability)
as Company

To: **DBS BANK (HONG KONG) LIMITED** as Lender

Dated:

Dear Sirs

Victory III Co., Ltd – HK\$1,014,000,000 Facility Agreement dated [●] 2024 (the "Agreement")

1. We refer to the Agreement. This is an Extension Request (Availability Period). Terms defined in the Agreement shall have the same meaning in this Extension Request (Availability Period).
2. We wish to extend the date referred to in paragraph (d) of the definition of "Availability Period" in the Agreement to the date falling [12 Months] after the date of the Agreement in accordance with Clause 5.7 (Extension option (Availability Period)) of the Agreement.
3. This Extension Request (Availability Period) is irrevocable.

Yours faithfully

.....
authorised signatory for

VICTORY III CO., LTD

SCHEDULE 4
FORM OF TRANSFER CERTIFICATE

From: **VICTORY III CO., LTD** (incorporated under the laws of the Cayman Islands with limited liability) as Company

To: **DBS BANK (HONG KONG) LIMITED** as Lender

Dated:

Dear Sirs

Victory III Co., Ltd – HK\$1,014,000,000 Facility Agreement dated [●] 2024 (the Agreement)

1. We refer to the Agreement. This is a Transfer Certificate. Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.
2. We refer to Clause 21.4 (Procedure for transfer) of the Agreement:
 - (a) The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation and in accordance with Clause 21.4 (Procedure for transfer) all of the Existing Lender's rights and obligations under the Agreement and the other Finance Documents which relate to that portion of the Total Commitments and participation in the Loan under the Agreement as specified in the Schedule.
 - (b) The proposed Transfer Date is [].
 - (c) The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 26.2 (Addresses) are set out in the Schedule.
3. The New Lender expressly acknowledges:
 - (a) the limitations on the Existing Lender's obligations set out in paragraph (c) of Clause 21.3 (Limitation of responsibility of the Existing Lender); and
 - (b) that it is the responsibility of the New Lender to ascertain whether any document is required or any formality or other condition requires to be satisfied to effect or perfect the transfer contemplated by this Transfer Certificate or otherwise to enable the New Lender to enjoy the full benefit of each Finance Document.
4. The New Lender confirms that it is a "New Lender" within the meaning of Clause 21.1 (Assignments and transfers by the Lender).
5. The New Lender confirms that the New Lender is not a Transaction Obligor or an Affiliate of a Transaction Obligor or any Controlling Shareholder.
6. This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.
7. This Transfer Certificate is governed by Hong Kong law.
8. This Transfer Certificate has been entered into on the date stated at the beginning of this Transfer Certificate.

THE SCHEDULE

Commitment/rights and obligations to be transferred

[insert relevant details]

[Facility Office address, fax number and attention details for notices and account details for payments,]

[Existing Lender]

By:

[New Lender]

By:

SCHEDULE 5 TIMETABLES

Function	Day/Time
Delivery of a duly completed Utilisation Request in accordance with Clause 5.1 (Delivery of a Utilisation Request).	10:00 a.m. (Hong Kong time) on the date which is two Business Days before the Utilisation Date
Delivery of a duly completed Selection Notice in accordance with Clause 9.1 (Selection of Interest Periods).	10:00 a.m. (Hong Kong time) on the date which is five Business Days before the first day of the relevant Interest Period
HIBOR is fixed	Quotation Day as of 11:00 a.m. (Hong Kong time)

SIGNATORIES

The Company

VICTORY III CO., LTD

By:



Address: Flat/Rm 63, 7/F, Woon Lee Commercial Building, 7-9 Austin Ave, Tsim Sha Tsui, Kowloon, Hong Kong


Fax: N/A

Attention: Emma Niu

Email: emma.niu@vesync.com

The Lender

DBS BANK (HONG KONG) LIMITED

By: 
MAN Hong Kit Andy
(AM077)

Address: 16/F The Center, 99 Queen's Road Central, Central, Hong Kong

Fax: +852 2235 5731

Attention: Andy Man / Joyce Tsang

Email: andymanhk@dbs.com / joycetsang@dbs.com

Receivables Discounting Agreement

- (1) The Hongkong and Shanghai Banking Corporation Limited**
- (2) Etekcity Corporation**

Dated 19 June 2024

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Receivables Discounting Agreement

Dated 19 June 2024

Between:

- (1) **The Hongkong and Shanghai Banking Corporation Limited**, a company organised and existing under the laws of Hong Kong, with its registered address at HSBC Main Building 1 Queen's Road Central, Hong Kong (the **Bank**);
- (2) **Etekcit Corporation**, a company incorporated under the laws of Iowa, the United States with number 427353 with its registered office at 315 E. 5TH ST. STE 202 WATERLOO, IA, 50703, the United States (the **Original Seller**);

RECITALS

- A The Original Seller wishes to sell, and the Bank wishes to buy, Receivables generated by the Original Seller delivering goods and/or services in the course of its day-to-day trading activities to an Eligible Buyer.
- B This Agreement sets out the basis on which the Original Seller and any Additional Sellers (together, the **Sellers**, and each such Party a **Seller**) sell Receivables to the Bank.

It is agreed:

1 The Facility

- 1.1 The Bank will make available to the Sellers an uncommitted receivables purchase facility (the **Facility**) on the terms set out in this Agreement. The definitions and interpretation Clauses set out at Schedule 1 shall apply to this Agreement.
- 1.2 The Facility will begin on the Commencement Date and remain available until the earliest of (the **Facility Termination Date**): (i) the expiry of the Term; (ii) notice of immediate termination is given by the Bank, following the occurrence of a Termination Event; (iii) the expiry of any notice given by a Seller to the Bank pursuant to Clause 16.3; and (iv) the expiry of any notice given by the Bank to terminate the Facility, such notice to be given not less than 21 days prior to the intended termination date.
- 1.3 On and from the date on which the Term expires or the date on which a termination notice given in accordance with Clause 1.2 above becomes effective against the relevant Party, the rights and obligations of each Party under this Agreement will terminate except:
- 1.3.1 rights and obligations that accrued before termination, or are expressed to survive termination, will survive; and
- 1.3.2 all Receivables for which the Bank has made a Payment will continue to be governed by this Agreement.
- 1.4 The Bank will not provide the Facility to the Original Seller until it has received the following, in a form acceptable to the Bank:
- 1.4.1 [certified copies of the corporate authorization(s) for the Original Seller to enter into this Agreement, naming and providing sample signatures for: (a) the person(s) authorized to sign this Agreement; and (b) the Original Seller's authorized signatories;]¹
- 1.4.2 [a certified true copy of the constitutional documents of the Original Seller and a certificate of good standing for the Original Seller from the State of Iowa;]²
- 1.4.3 this Agreement duly executed by the parties hereto;

¹ NTD: To be duplicated for VESYNC CO., LTD as appropriate.

² NTD: To be duplicated for VESYNC CO., LTD as appropriate.

- 1.4.4 a legal opinion from legal advisers qualified in state of Iowa, the United States on, amongst other things, the capacity and existence of the Original Seller;
- 1.4.5 Notice of Assignment (as defined below) to be served on each of the Eligible Buyers duly signed by the Original Seller;
- 1.4.6 evidence that one or more UCC financing statements with regards to Eligible Buyer as listed in the Eligible Buyers Listing has been filed in all necessary jurisdictions, in order to perfect the Bank's rights and interests in the Receivables to be sold or pledged by the Original Seller to the Bank under this Agreement from time to time;
- 1.4.7 UCC, tax and judgment lien searches, bankruptcy and pending lawsuit searches or equivalent reports or searches, each of a recent date listing all effective financing statements, lien notices or comparable documents that name the Original Seller as debtor and that are filed in those state and county jurisdictions in which the Original Seller is organized or maintains its principal place of such business or chief executive office and such other searches that the Bank deems desirable or appropriate;
- 1.4.8 acknowledgment copies of proper termination statements (Form UCC-3) and any other relevant filings necessary to evidence the release of all security interests, ownership and other rights of any person or entity previously granted by the Original Seller in the Receivables;
- 1.4.9 a corporate guarantee (or equivalent) executed by VESYNC CO., LTD in favor of the Bank relating to any Repayment Event and any other relevant provisions as stated under this agreement;
- 1.4.10 a legal opinion from legal advisers qualified in Cayman, the United States on, amongst other things, the capacity and existence of VESYNC CO., LTD;
- 1.4.11 true sales opinion of this Agreement from legal advisers to the Bank qualified in the State of California, addressed to the Bank;
- 1.4.12 all documents and other evidence the Bank requires for its know your customer and other compliance checks on the Original Seller; and
- 1.4.13 such other documents and information as the Bank may reasonably require.
- 1.5 The Bank will not provide the Facility to an Additional Seller until it has received the conditions precedent documents and information set out in the relevant Seller Accession Agreement in form and substance satisfactory to the Bank.
- 1.6 Each Seller confirms that it:
 - 1.6.1 has made and will continue to make its own assessment of the accounting treatment any assigned Receivable will attract, consulting its auditors as appropriate; and
 - 1.6.2 is not relying on any information provided by the Bank about possible accounting treatment.
- 1.7 Each Seller is only liable for its own liabilities and obligations under this Agreement.

2 Notification

On the Commencement Date, the Original Seller will Notify all Eligible Receivables and existing Dilutions to the Bank. Thereafter, each Seller shall deliver Notifications to the Bank at least once every seven days.

3 Assignment

3.1 Eligible Receivables

- 3.1.1 Simultaneously with the Notification on the Commencement Date, the Original Seller will offer (and be deemed to offer) to the Bank, and subject to the satisfaction of all conditions for purchase of Receivables and other terms (including conditions and limitations) under this Agreement, the Bank will purchase (and be deemed to purchase) from the Original Seller, without any further action on the part of the Original

Seller, all of the Original Seller's right, title and interest in and to all outstanding Eligible Receivables of such Original Seller specified on such Notification. Furthermore, on each Settlement Date following the Commencement Date and prior to the Facility Termination Date, each Seller will offer (and be deemed to offer) to the Bank, and subject to the conditions and limitations set forth in this Agreement, the Bank will purchase (and be deemed to purchase) from each such Seller, without any further action on the part of such Seller, all of such Seller's right, title and interest in and to all outstanding Eligible Receivables of such Seller that have not previously been acquired in whole by the Bank hereunder. The offer (and deemed offer) by each Seller to sell, assign and transfer all of its right, title and interest in and to all outstanding Eligible Receivables of each such Seller that have not previously been acquired in whole by the Bank hereunder is irrevocable and unconditional on the part of each such Seller and shall occur (without any further action by any such Seller) on each Settlement Date prior to the Facility Termination Date.

- 3.1.2 If the Bank wishes to purchase a Notified Receivable for the Purchase Price, the Bank shall pay on the relevant Settlement Date, the Funded Amount to the Relevant Seller; provided that such payment will be subject to the various netting and set-off mechanics described in this Agreement.
- 3.1.3 For the avoidance of doubt and not in limitation of any other provision of this Agreement, it is understood and agreed that the Deferred Purchase Price Amounts represent the property of the applicable Seller and part of the Purchase Price of the related Purchased Receivables, which shall be payable to such Seller by the Bank on the terms and subject to the conditions of this Agreement. The Bank has established a ledger account to track all outstanding Deferred Purchase Price Amounts (the **DPP Account**).
- 3.1.4 The balance of the DPP Account will be increased by the Deferred Purchase Price Amount of each Purchased Receivable at the time of purchase. The balance of the DPP Account will be decreased by the Deferred Purchase Price Amount of any Purchased Receivable upon the earliest to occur of the following: (1) the Bank's collection in full of any Purchased Receivable (whether by the receipt of cash or Actual Dilution) and the settlement thereof with the Bank under Clause 4; (2) the expiry of 60 days after the Due Date for such Purchased Receivable; (3) the date that is 60 days following the occurrence of an Insolvency Event with respect to the relevant Eligible Buyer; and (4) the reassignment of such Purchased Receivable to the relevant Seller in accordance with Clause 10.2).

3.2 True Sale; Precautionary Security Interest

The Bank and each Seller have structured the transactions contemplated by this Agreement as a sale, and the Bank and each Seller each agree to treat each such transaction as a "true sale" for all purposes under applicable law and accounting principles, including, without limitation, in their respective books, records, computer files, tax returns (federal, state and local), regulatory and governmental filings and shall reflect such sale in their respective financial statements as necessary under relevant accounting principles. Notwithstanding the intent of the parties hereunder, in the event that the transfers hereunder are recharacterized by any court as other than a sale from a Seller to the Bank, then in order to secure all of such Seller's obligations (monetary or otherwise) under this Agreement, whether now or hereafter existing or arising, due or to become due, direct or indirect, absolute or contingent, such Seller hereby grants to the Bank a security interest in all of such Seller's right, title and interest in, to and under all of the following, whether now or hereafter owned, existing or arising: (i) all Purchased Receivables and (ii) all collections and other proceeds of, and all amounts received or receivable under any or all of, the foregoing.

3.3 Additional Grant of Security in Non-Purchased Receivables

In addition to and without in any way limiting the grant of security provided for in Clause 3.2, in order to secure each Seller's obligations (monetary or otherwise) under this Agreement, whether now or hereafter existing or arising, due or to become due, direct or indirect, absolute or contingent, such Seller hereby grants to the Bank a security interest in all of such Seller's right, title and interest in, to and under all of the following, whether now or hereafter owned, existing or arising: (i) all Receivables owing from Eligible Buyers that are not Purchased Receivables and (ii) all collections and other proceeds of, and all amounts received or receivable under any or all of, the foregoing. For the avoidance of doubt, the security interest provided for in this Clause 3.3 secures only the obligations of the Sellers under this Agreement and is not intended to provide the Bank with additional protection to the extent that any Purchased Receivables are not collectable because of the relevant Buyer being the subject of an Insolvency Event or such Buyer otherwise not having the financial capacity to make payment on the Purchased Receivables.

3.4 Additional Sellers

The terms on which an Additional Seller shall sell its Receivables to the Bank shall be set out in a Seller Accession Agreement.

3.3 General

3.3.1 If requested by the Bank, to the extent not already provided to the Bank, a Seller must provide:

- (a) all documents necessary to effect the sale of any Receivable after receiving a Payment by the Bank; and
- (b) a copy of the relevant invoices and any related Contracts.

3.3.2 The Bank is never obliged to reassign a Purchased Receivable to a Seller. The Bank's decision to so reassign a Purchased Receivable is at the sole discretion of the Bank.

3.3.3 On the Bank's request and on such date as the Bank may specify, each Seller undertakes to:

- (a) send a notice of assignment (a **Notice of Assignment**) of any Receivable assigned by it to the Bank in accordance with the terms of this Agreement to the relevant Eligible Buyer, substantially in the form: (i) set out at Schedule 4; or (ii) as otherwise agreed by such Seller and the Bank in writing; and
- (b) provide the Bank with duly executed powers of attorney in form and substance satisfactory to the Bank to grant the Bank the power to (i) notify the relevant Eligible Buyers of such assignments on such Seller's behalf, (ii) do anything necessary in the name of such Seller to perfect an assignment, and (iii) take any collection activity necessary in the name of such Seller if required.

4 Reporting and Settlement.

4.1 The reporting, calculations and payments in respect of the purchase and sale of Receivables hereunder shall be made in accordance with the following procedure:

4.1.1 At or prior to 5 p.m. on each Reporting Date, each Seller shall deliver a Notification to the Bank as required by Clause 2. Each Seller understands and agrees that, to the extent that a Notification does not include a Receivable previously purchased hereunder, such Receivable shall be considered collected in full. Each Notification shall include at least the following information: (1) the Net Value of each Eligible Receivable originated by such Seller during the previous Settlement Period and each Eligible Receivable originated in previous Settlement Periods but that has not yet been purchased by the Bank, (2) a list clearly identifying all Outstanding Purchased Receivables as of the close of business on the last Business Day for such Settlement Period and the Outstanding Amount for each such Purchased Receivable, (3) the collections received by the Bank during such Settlement Period on Purchased Receivables and (4) any other information relating to the Receivables requested by the Bank.

4.1.2 At or prior to 5 p.m. on each Settlement Date, the Bank shall deliver a Bank Settlement Report to each relevant Seller, which Bank Settlement Report shall set forth the following information, which information shall be based on the data contained in the relevant Notification: (1) the aggregate Funded Amount of all Purchased Receivables owing by each Eligible Buyer as of the close of business on the last Business Day in the Settlement Period ending immediately prior to such Settlement Date, (2) the Purchased Receivables the Bank will purchase on such Settlement Date and the aggregate Funded Amount of all Purchased Receivables following such purchases, (3) relevant Payment Amount with respect to such Settlement Date, (4) the aggregate Actual Dilutions of all Purchased Receivables during the immediately preceding Settlement Period and (5) any other relevant information that the Bank deems necessary to determine the Purchased Receivables, the Purchase Prices therefor, the Funded Amounts therefor and the Payment Amount for such Settlement Date.

4.1.3 With respect to each Settlement Date, the following procedure will be used for purposes of determining which Eligible Receivables described on the Notification for such Settlement Date and owing by each Eligible Buyer constitute Purchased Receivables (and, in the case of Eligible Receivables not previously purchased by the Bank hereunder, will be purchased by the Bank):

- (a) *first*, all Receivables owing by such Eligible Buyer that were Purchased Receivables as of the immediately preceding Settlement Date, and that remain outstanding, shall be designated as Purchased Receivables,
- (b) *second*, new Eligible Receivables owing by such Eligible Buyer arising during the preceding Settlement Period shall be designated as Purchased Receivables in the relevant Bank Settlement Report based on Due Dates specified in such Bank Settlement Report (designating the applicable Eligible Receivable owing by such Eligible Buyer with the latest Due Date as a Purchased Receivable, then designating the applicable Eligible Receivable owing by such Eligible Buyer with the immediately preceding Due Date as a Purchased Receivable, and continuing in the same manner (with the sequence to start from the latest to the furthest) until such time as any of the forgoing first occurs: (i) all such new Eligible Receivables owing by all Eligible Buyers have been designated as Purchased Receivables, (ii) the designation of the next following applicable Eligible Receivable owing by such Eligible Buyer as a Purchased Receivable would result in all Outstanding Purchased Receivables owing by such Eligible Buyer exceeding the Credit Limit of such Eligible Buyer, at which point the designation process shall proceed with Eligible Receivables for which the Credit Limit of the applicable Eligible Buyer has not been exceeded or (iii) the designation of the next following applicable Eligible Receivable owing by such Eligible Buyer as a Purchased Receivable would result in all Outstanding Purchased Receivables owing by all Eligible Buyers exceeding the Seller Limit);

provided that no Seller shall sell, and the Bank shall not purchase, less than 100% of any individual Receivable hereunder). Any Receivables not designated as Purchased Receivables pursuant to this Clause 4.1.3 shall not be deemed to have been purchased by the Bank hereunder and the applicable Seller shall continue to be the sole legal and beneficial owner of such Receivables unless and until such Receivables are purchased by the Bank hereunder.

- 4.1.4 Following the determination of the Payment Amount for such Seller as set forth in the Bank Settlement Report described in Clause 4.1.2 above, on each Settlement Date (x) if the Payment Amount is positive, the Bank shall pay the full amount thereof to such Seller by deposit to the relevant Seller Account and (y) if the Payment Amount is negative, such Seller shall pay the full absolute value thereof to the Bank by deposit into the relevant Collection Account for the benefit of the Bank. Notwithstanding the foregoing, (i) it is understood and agreed that the negative Payment Amount shall be due and owing to the Bank even if the relevant Seller fails to deliver one or more Notifications as required by Clause 2 and, as a result, the Bank is not able to produce the relevant Bank Settlement Report and (ii) for administrative convenience the Bank may, at its discretion, consolidate Payment Amounts with respect to multiple Sellers into a single figure. For the avoidance of doubt and not in limitation of any other provision of this Agreement it is understood and acknowledged that (i) the Bank shall have recourse to the Sellers for all Actual Dilutions and (ii) unless used by the Bank to make Payment Amount payments to a Seller, cash collections on Purchased Receivables received into a Collection Account are the property of the Bank and will be retained by the Bank for its own benefit.
- 4.2 Without in any way limiting Clause 4.1 or any other provision of this Agreement, the Bank's obligation to make any Payment (by inclusion in the calculation of the Payment Amount or otherwise) is, at any time, subject to:
 - 4.2.1 the Bank having received the latest Notification that each Seller is obliged to provide under this Agreement;
 - 4.2.2 no Termination Event having occurred which is continuing; and
 - 4.2.3 the representations made in connection with the Notified Receivables in the latest Notification remain correct on the date of payment of the Funded Amount in all material respects.

5 Uncommitted facility

EACH OF THE SELLERS ACKNOWLEDGES THAT THIS IS AN UNCOMMITTED ARRANGEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, EACH SELLER EXPRESSLY AGREES THAT THE BANK WILL NOT BE OBLIGATED TO PURCHASE ANY RECEIVABLE FROM ANY SELLER, AND THE BANK MAY REFUSE, FOR ANY REASON OR FOR NO REASON, TO PURCHASE ANY RECEIVABLE OFFERED FOR PURCHASE BY ANY SELLER REGARDLESS OF WHETHER THE VARIOUS CONDITIONS TO PURCHASE SET FORTH IN THIS AGREEMENT HAVE BEEN SATISFIED.

6 Eligible Buyers and Credit Limits

6.1 Eligible Buyers

The Sellers' Agent may request in writing to the Bank to include additional Buyers in the Eligible Buyers Listing and the Bank may approve or disapprove such request in accordance with Clause 6.3 and on such conditions reasonably required by the Bank (including establishing additional Credit Limits).

6.2 Credit Limits

6.2.1 The Bank has established the Credit Limits in relation to the Eligible Buyers.

6.2.2 The Sellers' Agent may request in writing to the Bank to establish additional Credit Limits or vary any existing Credit Limit and the Bank may approve or disapprove such request in accordance with Clause 6.3 and on such conditions reasonably required by the Bank.

6.2.3 In the exercise of its reasonable commercial judgement, and if necessary to preserve or protect the Bank's interest in Receivables, the Bank may:

- (a) reduce or cancel a Credit Limit by amendment on one days' notice to the Sellers' Agent, or such shorter period as the Bank and the Sellers' Agent may agree, with such reduction or cancellation to take effect on the expiry of the notice period; and
- (b) reduce or cancel a Credit Limit by amendment immediately on notice to the Sellers' Agent if at any time the Bank has reason to believe that the Eligible Buyer is or may be unable to meet its payment obligations in respect of Outstanding Purchased Receivables when due or is otherwise unable to perform its contractual obligations under a Contract.

6.2.4 If the Bank reduces a Credit Limit to zero, no further Receivables with respect to the applicable Eligible Buyer shall be eligible for Payments; provided that any already existing Purchased Receivables will be unaffected.

6.3 Mechanism for amending the Eligible Buyers Listing

6.3.1 If the Bank agrees to approve a request from the Sellers' Agent made in accordance with this Clause 6 or to remove an Eligible Buyer from the Eligible Buyers Listing or vary a Credit Limit in accordance with this Clause 6, the Bank shall give notice of amendment of the Eligible Buyers Listing to the Sellers' Agent.

6.3.2 The Parties agree that the Eligible Buyers Listing shall be duly amended on the date of each notice of amendment given by the Bank pursuant to this Clause 6 and from that date the Eligible Buyers Listing shall be construed as amended, taking in to account the latest amendment notified and each previous amendment notified (to the extent not superseded by a subsequent amendment).

6.3.3 On request by the Sellers' Agent, the Bank may, but is not obliged to, issue a copy of the Eligible Buyers Listing incorporating all amendments made by notices pursuant to this Clause 6.3 for information purposes only.

7 Sellers' representations

7.1 General representations

Each Seller represents and warrants, on the date of this Agreement or the date of its Seller Accession Agreement (as applicable) and the date of each Notification that each Seller makes (or is made on its behalf by the Sellers' Agent):

- 7.1.1 it has the power and authority to enter into, and perform its obligations under, each Transaction Document;
- 7.1.2 the obligations expressed to be assumed by it under each Transaction Document are legal, valid, binding and enforceable;

- 7.1.3 the entry into and performance by it of, and the transactions contemplated by, each Transaction Document do not and will not conflict with:
- (a) any law or regulation applicable to it;
 - (b) its constitutional documents; or
 - (c) any agreement or instrument binding upon it or any of its assets;
- 7.1.4 no Insolvency Event has happened to (or is pending or threatened against) that Seller;
- 7.1.5 in connection with this Agreement and the fulfilment of its obligations under each Transaction Document:
- (a) it has not violated and shall not violate any applicable anti-bribery laws and regulations, including, but not limited to, any relevant provision of any applicable anti-bribery laws and regulations in force in the jurisdiction where it and the Bank are domiciled and operate (**Anti-Bribery Laws**);
 - (b) it is not, and undertakes that it shall not, engage in the following conduct: making of payments or transfers of value, offers or promises or giving of any financial or other advantage, or requests, agreements to receive or acceptances of any financial or other advantage, either directly or indirectly, having the purpose, effect or acceptance of, or acquiescence in, public or commercial bribery or other unlawful or improper means of obtaining or retaining business, commercial advantage or the improper performance of any function or activity; and
 - (c) it shall procure the compliance with the above obligations from its own associated persons or agents as may be used for its fulfilment of obligations under this Agreement; and
- 7.1.6 neither such Seller nor any of its subsidiaries, directors, officers, employees, agents, or affiliates is a person that is, or is owned or controlled by any individual or entity (each a **Person**) that is:
- (a) the subject of any Sanctions issued, administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control, the US Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury or the Hong Kong Monetary Authority (collectively, **Sanctions**); or
 - (b) located, organised or resident in a country or territory that is, or whose government is, the subject of Sanctions;
- 7.1.7 it is in compliance and shall comply with all applicable data protection and other laws for the same or similar purpose in all relevant jurisdictions.
- 7.2 Receivables specific warranties**
- On the date of each Notification, the Seller making that Notification (or on whose behalf that Notification is made by the Sellers' Agent) makes the following representations and warranties in relation to each Receivable (that is not a Purchased Receivable) contained in that Notification:
- 7.2.1 the Receivable legally exists, has been originated by such Seller and is payable by an Eligible Buyer;
- 7.2.2 immediately upon the assignment of the Receivable to the Bank, it is to have no continuing proprietary interest in the Receivable;
- 7.2.3 an invoice has been raised evidencing the Receivable and the correct details of the Eligible Buyer and purchase order number appear on documents evidencing the Receivable;
- 7.2.4 all the goods and/or services to which that Receivable relates have been delivered by such Seller in accordance with the relevant Contract, such delivery of goods and/or services and/or dispatch of goods being (unless otherwise agreed with the Bank) to the Eligible Buyer in its jurisdiction as stated in the Eligible Buyers Listing (as amended from time to time);
- 7.2.5 the Receivable has not been previously purchased by the Bank;

- 7.2.6 the Receivable is payable in an Approved Currency, as stated in the Notification, and (unless otherwise agreed with the Bank) the payment is due from the Eligible Buyer in the jurisdiction as stated in the Eligible Buyers Listing (as amended from time to time);
- 7.2.7 the relevant Contract is governed by the governing law as specified in the Eligible Buyers Listing and the Receivable created under it is freely assignable;
- 7.2.8 the Due Date is not more than the number of days after the relevant date as specified in the Eligible Buyers Listing and has not yet occurred;
- 7.2.9 the relevant Eligible Buyer is obliged to pay the full amount of that Receivable on its Due Date in accordance with the relevant Contract and that Contract together with assignment of relevant Receivables to the Bank is valid, legal, binding and enforceable against the Eligible Buyer in accordance with its written terms so far as that Contract relates to the Receivable;
- 7.2.10 there is no dispute (existing or threatened) between such Seller and the Eligible Buyer in relation to the relevant Contract or any other contract or commercial arrangement that may result in the Eligible Buyer exercising any right of set-off or counterclaim against the Eligible Buyer's obligation to pay the Receivable;
- 7.2.11 such Seller's rights under the relevant Contract (so far as they relate to the Receivable):
- (a) are legally and beneficially owned by such Seller;
 - (b) are not, and will not become, subject to any Security or other third-party rights; and
 - (c) may be freely assigned to the Bank without condition;
- 7.2.12 the information set out in the relevant Notification, and any copy of the invoice relating to that Receivable or of its Contract (or the Standard Contract on which that Contract is based) that such Seller has provided to the Bank, is true, complete and up to date. Where such Seller has not provided the Bank with a copy of the Contract but only with a copy of the Standard Contract on which the Contract is based, the Contract does not vary in any material respect relevant to that Receivable from the form of the Standard Contract;
- 7.2.13 except as notified to the Bank in writing, no payment due from the Eligible Buyer to that or any other Seller is overdue by more than 60 days beyond its due date;
- 7.2.14 the relevant Eligible Buyer is not an Associate; and
- 7.2.15 the Receivable does not relate, in whole or in part, to late payment interest or a claim for damages by such Seller, unless otherwise agreed by the Bank.

7.3 Reliance

When purchasing any Receivable from a Seller and when paying any Payment Amount for a Receivable to a Seller Account, the Bank is relying on the representations and warranties set out in this Clause 7.

8 Sellers' undertakings

8.1 General undertakings

8.1.1 Each Seller must, while it has Outstanding Purchased Receivables:

- (a) maintain operational procedures aimed at ensuring, in line with good industry practice, that it:
 - (i) does not breach any sanction imposed by the United Nations Security Council, the European Union, the United States or any jurisdiction in which it operates;
 - (ii) complies with Anti-Bribery Laws in all the jurisdictions in which it operates; and
 - (iii) is not party to, or used by any other person for, any money laundering or terrorism financing or sanctioned activity;

- (b) promptly on becoming aware of the same, notify the Bank if any bribery, money laundering, corruption, tax evasion, Sanctions or terrorism financing issue arises in connection with this Agreement or a Receivable; and
- (c) promptly on request but no more frequently than monthly, provide the Bank with any information the Bank reasonably requests about:
 - (i) such Seller's Receivables and their performance such as, but not limited to, average dilution rates and the reasons for dilution, average debtor days, such Seller's invoice records systems and such Seller's debt collection procedures; or
 - (ii) its operational procedures for complying with its undertaking under Clause 8.1.1(a) and compliance with such procedures.

8.1.2 Each Seller undertakes to comply with the provisions of all applicable data protection laws and acknowledgments.

8.1.3 Each Seller

- (a) acknowledges that it is the policy of the Bank (to the extent it is legally permitted to do so under the laws of its jurisdiction of incorporation and any relevant jurisdiction in which it operates) to comply with all Sanctions and agrees that the Bank will not be liable for non-performance of any obligations under this Agreement if its failure to act is due to its adherence to its policy to comply with Sanctions; and
- (b) must not, directly or indirectly, use any benefit derived from this Agreement to fund any activities or business of or with any person or in any country or territory, that is, or whose government is, the subject of Sanctions; or in any other manner that would result in a violation of Sanctions by any Person.

8.2 Receivables specific undertakings

8.2.1 For each Outstanding Purchased Receivable, the relevant Seller must, promptly on becoming aware of it, notify the Bank of:

- (a) any dispute of the type described in Clause 7.2.10;
- (b) any breach by the Eligible Buyer of any contract between that or any other Seller and the Eligible Buyer, the breach of which may indicate that the Eligible Buyer is unlikely to perform its obligation to pay any Receivables; or
- (c) any Buyer Payment Problem Event occurring or becoming inevitable or likely.

8.2.2 For each Outstanding Purchased Receivable, the relevant Seller must:

- (a) comply with its material obligations under the Contract and/or Standard Contract;
- (b) promptly on request provide the Bank with a copy of the invoice relating to that Receivable, the Contract and/or Standard Contract and any amendment to any of them that affects that Receivable and all other documents relating to that Receivable as the Bank may reasonably require;
- (c) not, without the Bank's prior consent, change or waive the Payment Terms or change or waive any other term of the Contract and/or Standard Contract that may prejudicially affect that Receivable; and
- (d) not assign, transfer or grant any Security or other interest over all or any part of the Receivable.

8.2.3 Each Seller undertakes that where:

- (a) it has sent a Notice of Assignment to an Eligible Buyer on instructions of the Bank given in accordance with Clause 3.3.3; and

- (b) such Notice of Assignment contains an instruction to such Eligible Buyer that payments of Receivables should be made directly to an account held by the Bank in the Bank's name (whether the Collection Account or such other account as may be nominated by the Bank),

it shall:

- (i) immediately pay to the Bank any amounts that it receives from such Eligible Buyer (or from any other source) in relation to any Receivable the subject of the relevant Notice of Assignment; and
- (ii) until such time that it has made such payment to the Bank, hold such amounts on behalf of and on trust for the Bank absolutely.

8.2.4 Each Seller undertakes to permit the Bank to conduct regular surveys with regard to the applicable Contracts, the Receivables and all rights related thereto at that Seller's relevant premises during normal business hours and upon reasonable notice (although no notice shall be given following the occurrence of a Termination Event which is continuing).

8.2.5 Each Seller shall promptly on request provide the Bank with any information the Bank reasonably requests about any Outstanding Purchased Receivables and their performance.

9 Termination Events

Each of the events or circumstances set out in this Clause 9 is a Termination Event:

- 9.1 a Seller ceases to supply goods or services to any Eligible Buyers;
- 9.2 a Seller breaches any undertaking or other material obligation given or undertaken by it in this Agreement (other than the warranties in Clause 7);
- 9.3 a Seller does not pay on the due date any amount payable to the Bank: (i) pursuant to the terms of this Agreement; or (ii) under any other contract, deed or agreement entered into between that Seller and the Bank, at the place and in the currency in which it is expressed to be payable;
- 9.4 the occurrence of an Insolvency Event in relation to any Seller, or any step is taken which could result in such an Insolvency Event; or
- 9.5 any person, who has waived or released its rights to any Seller's Receivables, withdraws or attempts to withdraw such waiver or release or otherwise asserts any interest in any Seller's Receivables.

10 Failure to pay by an Eligible Buyer

10.1 If an Eligible Buyer fails to pay the amount of any Purchased Receivable in full on or before the end of the Waiting Period, the relevant Seller must promptly provide to the Bank:

- 10.1.1 the original Contract;
- 10.1.2 copies of all communications (including written records of material oral communications, if any) with the Eligible Buyer relating to the Purchased Receivable(s) that has/have not been paid in full; and
- 10.1.3 any other information relevant to the Purchased Receivable(s) that the Bank reasonably requests.

10.2 If at any time a Repayment Event has occurred in relation to a Purchased Receivable and the amount payable by an Eligible Buyer in relation to that Purchased Receivable is reduced, the relevant Seller agrees promptly to notify the Bank. The Bank and the relevant Seller agree that the loss suffered by the Bank as a result of that Repayment Event will be a sum equal to the reduction in the invoice amount arising as a result. At the Bank's determination in its sole discretion and upon the Bank's requests, the relevant Seller undertakes to carry out any of the following:

- (a) such Seller shall raise a credit note (or other similar book keeping entry) in favour of the relevant Eligible Buyer for the amount of that reduction in accordance with its standard sales ledger practices; and

- (b) such Seller shall promptly on demand pay the amount of that reduction to the Bank, in discharge of the loss suffered by the Bank as a result of the Repayment Event.

Upon receipt of such reduction amount in cleared funds, the Purchased Receivable (or proportion thereof) shall be reassigned to the relevant Seller.

- 10.3 Without prejudice to the generality of Clause 12.4, the Bank is entitled (but not obliged) to set off at any time any amount a Seller owes under Clause 10.2 or 11 that is unpaid against any amount that the Bank owes to such Seller.

- 10.4 Each Seller undertakes to:

- 10.4.1 execute and deliver such further documents and to do or refrain from doing such further acts as the Bank may reasonably require to implement, perfect, protect or enforce any Purchased Receivable or the Bank's title to such Purchased Receivables, or to facilitate the appropriation or realization of any funds or other assets in or towards discharge of an Eligible Buyer's obligation to pay a Purchased Receivable; and

- 10.4.2 not do, cause or permit to be done or omit to do anything that may:

- (a) result in the receipt or recovery of monies payable under or in connection with any Purchased Receivable being delayed, prevented or impeded;
- (b) impair the legal effect of the Bank's title to any Purchased Receivable or of any rights forming part of any Purchased Receivable; or
- (c) depreciate, jeopardise or otherwise prejudice the value of any Purchased Receivable.

- 10.5 The Bank agrees to reimburse each Seller for any out-of-pocket expenses that Seller reasonably incurs in helping the Bank with any enforcement action pursuant to a request by the Bank under Clause 10.4.1.

11 Fees

11.1 Purchase Fee

A Purchase Fee shall be applied to each Purchased Receivable and such Purchase Fee shall be charged by the Bank on the relevant Settlement Date which such receivable is purchased. Although this Agreement states that the purchase price of each Purchased Receivable is the Purchase Price, the parties agree that (i) this term is used solely for drafting and calculation convenience, (ii) the Purchase Fee represents the Bank's compensation for purchasing such Purchased Receivable and but for such agreement would be drafted in this document as a discount to the Net Value of such Purchased Receivable, and (iii) the actual purchase price of each Purchased Receivable is the Purchase Price minus the Purchase Fee applicable to such Purchased Receivable.

11.2 Arrangement Fee

The Original Seller shall pay the Arrangement Fee to the Bank on the date of this Agreement. The Sellers authorize the Bank to deduct the Arrangement Fee from the Payments relating to Receivables purchased on the first purchase date for Receivables hereunder. If such Payments are not sufficient to cover the entire Arrangement Fee the Bank may deduct the remaining amount from future Payments.

12 Payments

- 12.1 Any interest or fee accruing under this Agreement will accrue and be calculated day to day, using the actual number of days elapsed and (i) a 365-day year or a 360-day year as appropriate in accordance with the market practice for the relevant currency, or (ii) any other day count convention which is the market practice norm for the relevant currency.

- 12.2 All amounts expressed to be payable under this Agreement by a Seller to the Bank which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply.

- 12.3 If VAT is or becomes chargeable on any supply made by the Bank to any Seller under this Agreement and the Bank is required to account to the relevant tax authority for the VAT, that Seller must pay to the Bank (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of the VAT (and the Bank must promptly provide an appropriate VAT invoice to that Seller).
- 12.4 The Bank may set off any obligation it owes a given Seller under this Agreement or any amount of any Payment the Bank chooses to pay to that Seller against any obligation owed by that Seller to the Bank, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Bank may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- 12.5 If a Party (the Defaulting Party) does not pay any amount due from it to the other party (the Payee Party) under or in connection with this Agreement by its due date (both an overdue sum), the Defaulting Party must pay the Payee Party interest on that overdue sum (or so much as from time to time remains unpaid). This interest will be calculated by reference to successive interest periods (each of a period selected by the Payee Party acting reasonably) and a yearly rate of the Applicable Rate plus [one] per cent.
- 12.6 Any interest accruing under Clause 12.5 will, unless otherwise indicated:
- 12.6.1 be payable from the overdue sum's due date to the date of actual payment;
- 12.6.2 be immediately payable on demand by the Payee Party;
- 12.6.3 be compounded with the overdue sum at the end of each interest period applicable to it but will remain immediately due and payable; and
- 12.6.4 accrue before and after judgment.
- 12.7 Each Seller shall only be entitled to funds pursuant to the Facility on account of the Purchase Price of Purchased Receivables specifically referable to such Seller, being Receivables which are readily identifiable as such and sold to the Bank under this Agreement.
- 12.8 If any Tax deduction or withholding is made on any payment by any Seller to the Bank, the amount payable to the Bank will be increased so that the amount paid to the Bank is equal to the amount that would have been due if no such tax deduction or withholding had been required. Such Seller shall pay the amount deducted or withheld to the relevant tax authority and provide evidence to the Bank if requested.

13 Further assurance

Each Seller undertakes promptly to do or allow to be done anything, and to execute and deliver any document that the Bank considers necessary or expedient to establish, perfect, preserve or protect the Bank's title in any Receivable or any interests and rights of the Bank intended to be created by this Agreement.

14 Sellers as collection agents

- 14.1 Until the Bank notifies the Sellers' Agent otherwise, each Seller will act as the Bank's collection agent for all Purchased Receivables referable to that Seller and, in that capacity, that Seller undertakes at its own expense to:
- 14.1.1 ensure that the time, attention and levels of skill, care and diligence it devotes to the administration and collection of Purchased Receivables are in line with good industry practice and at least the same as those it devotes to the administration and collection of Receivables that Seller holds for its own account;
- 14.1.2 procure payment by the relevant Eligible Buyers of those Purchased Receivables: (i) directly into the Receipts Account and on receipt to hold such monies on behalf of and on trust for the Bank pending transfer to the relevant Collection Account; or (ii) where a Notice of Assignment has been sent in accordance with Clause 3.3.3 above and such Notice of Assignment instructs an Eligible Buyer to make payment to an account of the Bank, directly to such account of the Bank;

- 14.1.3 promptly notify the Bank if any part of a Purchased Receivable due to be paid into the Receipts Account is not paid into the Receipts Account in full on or before its Due Date; and
- 14.1.4 notify the Bank of receipt of any payment relating to Purchased Receivables and transfer the same to the Bank by crediting the relevant Collection Account promptly upon receipt of such payment, but in any case no later than 5 days of receipt of payment, or such other period the Bank may specify.
- 14.1.5 In connection with its obligations under this Clause 14, each Seller shall be responsible for identifying, matching and reconciling any payments received from Eligible Buyers with the Receivable associated with such payment in accordance with the terms of the relevant Contracts. When such process can not be completed, such Seller will cooperate in good faith with the Bank to make an appropriate allocation of payments.
- 14.2 Where the Receipts Account is held with the Bank, each Seller hereby irrevocably authorises the Bank, as account-holding bank for the Receipts Account, to debit from the Receipts Account and transfer to the Bank any payment such Seller receives into the Receipts Account that such Seller is obliged to transfer to, and has not yet transferred to, the Bank.

15 Roles of the Sellers' Agent

Each Seller (other than the Sellers' Agent) authorises the Sellers' Agent, on behalf of that Seller, to:

- 15.1 execute and agree any amendment agreement to any Seller Accession Agreement;
- 15.2 execute and agree any amendments to this Agreement;
- 15.3 receive on its behalf any notices or communications from the Bank that applies generally to this Agreement; and
- 15.4 send Notifications to the Bank on behalf of such Seller.

16 Changes to the parties

- 16.1 An affiliate of a Seller may ask to become party to this Agreement as a Seller by that affiliate and the Sellers' Agent executing a Seller Accession Agreement and delivering two executed paper originals of it to the Bank. That affiliate will become a Seller with effect from the date the Bank executes and dates that Seller Accession Agreement.
- 16.2 The Bank is under no obligation to agree to the accession of any person as a Seller. The Bank may:
 - 16.2.1 refuse to agree to any accession without giving reasons; and
 - 16.2.2 may impose conditions on its agreement to any accession.
- 16.3 A Seller (other than the Sellers' Agent) may stop being a party to this Agreement by giving at least three months' notice in writing to the Bank. On and from the date that notice becomes effective against the Bank, that Seller will stop being a Seller under this Agreement and its rights and obligations under this Agreement will terminate except:
 - 16.3.1 rights and obligations that accrued before termination (including with respect to the grant of Security provided by the Sellers), or are expressed to survive termination, will survive; and
 - 16.3.2 all Outstanding Purchased Receivables and Payments referable to that Seller that happened before termination will continue to be governed by this Agreement.

17 Changes, remedies and waivers

- 17.1 This Agreement can be changed only by agreement in writing between the Parties or by the Sellers' Agent and the Bank in accordance with Clause 15.

- 17.2 No failure to exercise, no delay in exercising and no single or partial exercise of any right or remedy a Party has or acquires under this Agreement will:
- 17.2.1 adversely affect that right or remedy;
- 17.2.2 waive it; or
- 17.2.3 prevent any further exercise of it or of any other right or remedy,
- except to the extent the affected Parties have expressly agreed otherwise in writing.
- 17.3 The rights and remedies arising from this Agreement are cumulative. They are not exclusive of any other rights or remedies provided by law or otherwise except to the extent expressly stated otherwise.

18 Notices

- 18.1 For all notices, the postal address and email address (and the contact department or officer, if any) for:
- 18.1.1 each of the Original Seller, the Sellers' Agent and the Bank are those set out below where this Agreement is executed by its authorized representatives; and
- 18.1.2 each Additional Seller are those set out in its Seller Accession Agreement,
- 18.1.3 or the most recent replacement postal address or email address or contact department or officer (if any) that Party has notified to the other Parties.
- 18.2 Notices must be in writing and delivered:
- 18.2.1 by hand, prepaid signed-for post or email; or
- 18.2.2 by any electronic means the Bank and the Sellers' Agent agree in writing, subject to any additional applicable terms for use of such electronic means (if any).
- 18.3 This Clause is subject to Clause 18.4. A notice delivered on a Business Day between 9:00 a.m. and 5:00 p.m. in the place of delivery is effective at delivery. A notice delivered outside these hours is effective at 9:00 a.m. in the place of delivery on the next Business Day after delivery. Unless the terms and conditions applicable to communications by electronic means (if any) states otherwise, any communication by electronic means will be effective only when actually received in readable form.
- 18.4 Any notice given to the Sellers' Agent will be deemed to have been given to each and every Seller for which it is relevant.
- 18.5 Each Party must give the others at least five Business Days' notice of any replacement of its postal or email address, department or officer for notices.
- 18.6 Any communication between the Bank and each Seller or the Sellers' Agent by email or any other unauthenticated or non-secure electronic means is done at that Seller or the Sellers' Agent's risk. Each Seller acknowledges that email is not a secure form of communication and authorises the Bank to treat any email (including any attachments) the Bank receives that appears to come from an email address that the Sellers' Agent or a Seller has provided, as part of its contact details pursuant to this Clause 17 or otherwise, as genuine, complete and duly authorised by that Seller or the Sellers' Agent. Each Seller and the Sellers' Agent agree to indemnify the Bank against any loss, cost or liability the Bank incurs or suffers as a result of the Bank acting or otherwise relying on any email it receives in accordance with this Clause.
- 18.7 Each Seller permits the Bank, where the Bank considers it necessary or desirable for the purposes of this Agreement, to communicate with Eligible Buyers via email or any other unauthenticated or non-secure electronic means and agrees that the Bank will do so without any liability to each Seller or the Sellers' Agent for any loss, cost or liability thereby arising.

19 Disclosure

- 19.1 The provisions of this Clause 19 will survive termination of this Agreement and will bind each Party for a period of five years (or such other period as the relevant parties agree) from the date that Party stops being a Party to this Agreement.
- 19.2 Each Seller permits the Bank to pass on information it receives under or in connection with this Agreement: (a) to the Bank's successors and assigns; (b) to any company in the same group as the Bank or any affiliated company; (c) to the Bank's sub-contractors, agents, service providers or professional advisers; (d) to any rating agency, insurer or other provider of credit protection to the Bank; (e) to any person to whom the Bank may sub-participate any of its risks or rewards under a Purchase; (f) as required by law or to any court or regulatory, supervisory or governmental authority; or (g) to a federal reserve or central bank, provided that, in the case of a disclosure under (a), (b), (c), (d) or (e) at a time when no amounts due to the Bank from that Seller under this Agreement are overdue for payment, the Party to whom the disclosure is to be made is bound to keep that information confidential and use it only for the purpose for which it has been disclosed. The disclosure rights the Bank has under this Clause are in addition to any it may have under any other agreement with that Seller or at law.
- 19.3 Each Seller undertakes to provide the Bank on request with any information or documentary evidence about:
- 19.3.1 that Seller's tax status; or
- 19.3.2 the identity or tax status of any of that Seller's ultimate or intermediate owners, that the Bank considers (acting reasonably) is needed to comply (or demonstrate compliance, or avoid non-compliance) with any HSBC Group member's obligations to any local or foreign tax or regulatory authority (the **Tax Information**).
- 19.4 Each Seller authorizes (and undertakes on request to obtain the written authority or consent of any of that Seller's ultimate or intermediate owners for) any HSBC Group member to disclose:
- 19.4.1 that Seller's or its ultimate or intermediate owners' Tax Information (as applicable);
- 19.4.2 information about the Facility; and
- 19.4.3 the link between the Facility and any Payments and that Seller or its ultimate or intermediate owner(s), to any local or foreign tax or regulatory authority.
- 19.5 Each Seller agrees that the Bank may:
- 19.5.1 make any deduction on account of Tax that the Bank is required to make by any local or foreign tax or regulatory authority from or in respect of any payment made to that Seller, or to another person at that Seller's request or instruction, in connection with the Facility or any Payment; and
- 19.5.2 pay the amount deducted to the relevant tax or regulatory authority.
- 19.6 If the Bank becomes aware that it must make a deduction (or that there is any change in the rate or other basis for calculating the amount of a deduction) it will notify the relevant Seller(s).
- 19.7 Nothing in this Agreement will oblige the Bank to act or refrain from acting in any way that might:
- 19.7.1 cause it to breach any legal or regulatory requirement, any contractual obligation or Bank policy; or
- 19.7.2 harm the Bank's or HSBC Group's reputation.

20 General

- 20.1 There are no third-party beneficiaries to the Agreement. The Sellers' Agent, the Sellers and the Bank may change any term of this Agreement without the consent of any person who is not party to it.

- 20.2 Each Seller must indemnify the Bank against any cost, loss or liability (including legal fees) the Bank incurs:
- 20.2.1 for the negotiation, preparation, amendment, variation or replacement of a Transaction Document;
 - 20.2.2 for the enforcement or the preservation of any rights under a Transaction Document;
 - 20.2.3 for any stamp duty, VAT, registration tax or other similar tax payable in respect of any Payment, or any title transfer in which that Seller is involved effected pursuant to any of them;
 - 20.2.4 resulting directly or indirectly from any Seller failing to make a deduction or withholding required by a relevant tax authority;
 - 20.2.5 as a result of any breach by that Seller of a Transaction Document; and
 - 20.2.6 as a result of the Bank making a payment under Clause 4.1 at a time when it was not obligated to do pursuant to any reason stated in Clause 4.2;

provided that the indemnity in this Clause 20.2 shall not apply to any losses suffered by the Bank because any Purchased Receivable is not collectable because the relevant Buyer is the subject of an Insolvency Event or such Buyer does not otherwise have the financial capacity to make payment on such Purchased Receivable.

- 20.3 The Sellers' Agent must indemnify the Bank against any cost, loss or liability the Bank incurs for any stamp duty, VAT, registration tax or other similar tax payable in respect of this Agreement that is not related to any particular Receivable or a particular Seller, or otherwise covered by the indemnity in Clause 20.2.
- 20.4 Each Seller must pay any amount it owes under Clause 20.2, and the Sellers' Agent must pay any amount it owes under Clause 20.3, within [three] Business Days of demand.
- 20.5 No Seller nor the Sellers' Agent may assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Bank. The Bank may assign or transfer any of its rights or obligations under this Agreement, and/or any of its rights or obligations in relation to any Receivable, whether in whole or in part (including by way of participation arrangements), to any person without any consent from any Seller and each Seller hereby agrees that it shall take all such steps and/or do all such things as the Bank may request to effect and/or perfect any such assignment or transfer or in connection therewith.
- 20.6 The invalidity, illegality or unenforceability of any provision of this Agreement under the law of any jurisdiction shall not affect the validity, legality or enforceability of:
- 20.6.1 any other provision of this Agreement or any assignment under the law of that jurisdiction; or
 - 20.6.2 any provision of this Agreement or any assignment under the law of any other jurisdiction.
- 20.7 This Agreement may be entered into in any number of counterparts, each of which when executed and delivered may be treated as an original.
- 20.8 Each Seller acknowledges and agrees that:
- (a) the Bank and/or each HSBC Group member and each of HSBC Group's service provider are required to act in accordance with the laws and regulations of various jurisdictions, including those which relate to Sanctions and the prevention of money laundering, terrorist financing, bribery, corruption and tax evasion;
 - (b) the Bank may take, and may instruct other members of the HSBC Group to take, to the extent it or such member is legally permitted to do so under the laws of its jurisdiction, any action (a "**Compliance Action**") which the Bank or any other member, in its sole discretion, considers appropriate to act in accordance with Sanctions or domestic and foreign laws and regulations. Such Compliance Action may include but is not limited to the interception and investigation of any payment, communication or instruction; the making of further enquiries as to whether a person or entity is subject to any Sanctions; and the refusal to process any transaction or instruction that does not conform with Sanctions; and

- (c) neither the Bank nor any member of HSBC Group will be liable to such Seller for any loss, damage, delay, or a failure of the Bank to perform its duties under this agreement arising out of or relating to any Compliance Action taken by the Bank or any HSBC Group member in its sole discretion.

20.9 Each Seller will indemnify the Bank for all Losses suffered or incurred by or brought against the Bank arising out of or relating to any Compliance Action, unless such Losses are solely and directly caused by the gross negligence or wilful misconduct of the Bank.

20.10 Each Seller acknowledges and agrees that it is responsible for its own liabilities in respect of Tax and in no circumstances does the Seller intend the Bank to be liable for any such Taxes and will indemnify the Bank against Losses suffered or incurred by or brought against the Bank arising out of such Seller's liability for Tax (whether such Tax should be deducted or otherwise).

21 eReceivablesFinance

21.1 For the purpose of facilitating communication between the Bank and the Sellers for the transactions contemplated under the Agreement, the Bank may provide such Seller with access to eReceivablesFinance, available through HSBCnet (or any other electronic portal as the Bank may agree with such Seller from time to time). Each Seller agrees to be bound by the terms and conditions which the Bank may prescribe for the use of eReceivablesFinance (or any other applicable electronic portal) and the services provided and accessed via that electronic portal from time to time.

21.2 The Bank assumes no liability or responsibility to any Seller or any third party for any loss or damage suffered or incurred as a result of such Seller's use of the eReceivablesFinance. Such Seller acknowledges and agrees that the Bank is authorised to accept, act and rely upon, and treat as valid and accurate any data, information, document, communication and instruction given by such Seller to the Bank on eReceivablesFinance and is under no obligation to enquire further.

21.3 Each Seller indemnifies and holds Bank harmless from and against any loss Bank may incur arising out of eReceivablesFinance and the Seller waives any and all claims in respect of any losses arising from the same.

22 Governing law and jurisdiction

22.1 This Agreement shall be governed by the laws of the State of New York, without giving effect to conflict of laws principles that would require the application of the law of any other jurisdiction.

22.2 Each of the Parties irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or federal court of the United States sitting in the Borough of Manhattan, New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment. Each of the Parties hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such New York State court or, to the extent permitted by law, in such federal court. A final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each of the Parties irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any New York State or federal court located in the Borough of Manhattan. Each of the Parties hereby irrevocably waives, to the fullest extent permitted by law, the defence of inconvenient forum to the maintenance of such action or proceeding in any such court.

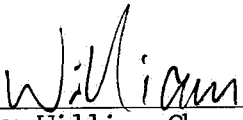
22.3 EACH PARTY IRREVOCABLY WAIVES ANY RIGHT THAT SUCH PERSON MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

Executed by the Bank, the Original Seller and the Sellers' Agent or their authorised representatives.

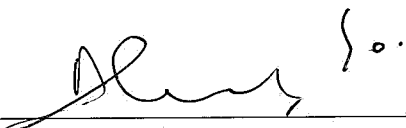
EXECUTION PAGES

The Bank

Signed by person(s) who are authorised for **The Hongkong and Shanghai Banking Corporation Limited**


Name: William Chan

Position: Vice President


Name: Anthony So

Position: Senior Vice President

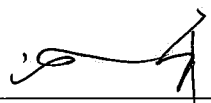
Details for Notices:

For the attention of: William Chan

The Hongkong and Shanghai Banking Corporation Limited
2/F, Tower 3, HSBC Centre, 1 Sham Mong Road, Kowloon

The Original Seller

Signed by person(s) who are authorised for **Etekcity Corporation**


Name: CHEN ZHAOJUN

Position: Chief Financial Officer.

Name:

Position:

Details for Notices:

Schedule 1-Definitions and Interpretation

1 Interpretation

- 1.1 Unless a contrary indication appears, any reference to:
- 1.1.1 any matter or thing being acceptable or satisfactory means that matter being acceptable or satisfactory to the Bank in its discretion (acting reasonably);
- 1.1.2 this Agreement, a Seller Accession Agreement, or any agreement or instrument is a reference to that agreement or instrument as amended, novated, restated, supplemented, extended or replaced;
- 1.1.3 any bank account is a reference to that account as it may be renumbered, redesignated or replaced and includes any of its sub-accounts;
- 1.1.4 a Clause or Schedule is a reference to a Clause of, or Schedule to, this Agreement;
- 1.1.5 the words including (and its derivations) and in particular must be construed as being for illustration or emphasis only and not as limiting the generality of any preceding words;
- 1.1.6 the words other and otherwise must not be construed as being limited by the context in which they appear or the words that precede them where a wider construction is possible;
- 1.1.7 any person includes any assignee, transferee, successor-in-title, delegate or appointee of that person (but, in the case of parties, only permitted assignees, transferees, etc.). It also includes any individual, company or other body corporate, any state or state agency or any unincorporated body, association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- 1.1.8 a time of day is a reference to local time at the location of the relevant office of the Bank; and
- 1.1.9 a Termination Event is continuing if it has not been remedied to the satisfaction of the Bank or waived.
- 1.2 Clause and Schedule headings are for ease of reference only.

2 Definitions

In this Agreement unless otherwise indicated, the following definitions apply:

Accession Date means the date that the Bank executes the relevant Seller Accession Agreement in accordance with Clause 16.1.

Actual Dilutions shall mean, with respect to any Purchased Receivable, the amount, if any, of Dilutions

occurring to the extent such Dilutions are not already reflected in the Notified Amount of such Purchased Receivable. With respect to such Purchased Receivable, Actual Dilutions will be deemed to have been received (in the amount of such Actual Dilution) on the earlier of (i) during the Settlement Period occurring immediately prior to the Settlement Date on which the final cash collections on such Purchased Receivable are transferred to a Collection Account and (ii) the last day of the Waiting Period for such Purchased Receivable.

Additional Seller means an affiliate of the Original Seller that has become a party to this Agreement pursuant to the terms of a Seller Accession Agreement.

Anti-Bribery Laws has the meaning given to it at Clause 7.1.5.

Applicable Rate means (as applicable):

- (a) for amounts denominated in US Dollar, 3-month SOFR; and
- (b) for any other Approved Currency, the equivalent benchmark rate if available or otherwise as determined by the Bank's funding desk,

and, in each case, if such rate is less than zero, the Applicable Rate shall be deemed to be zero.

Approved Currency has the meaning given to it in Schedule 2.

Arrangement Fee has the meaning given to it in Schedule 2.

Associate means any person over which any Seller has significant control (including franchise or similar), who has similar control over such Seller or who is part of the same corporate group as such Seller.

Bank Settlement Report has the meaning given to it in Clause 4.1.2.

Business Day means:

- (a) in relation to: (i) any notices or other documents to be delivered to the Bank or a Seller whose registered address is located in Hong Kong; or (ii) any payments to be made by any Party in accordance with the terms of this Agreement, a day other than a Saturday or Sunday on which banks in Hong Kong are open for general interbank business; and

- (b) in relation to any notices or other documents to be delivered to any other Party, a day other than a Saturday or Sunday on which banks in the jurisdiction in which such Party has its registered address are open for general interbank business.

Buyer means an account debtor under a Contract.

Buyer Payment Problem Event means:

- (a) an Insolvency Event of the Eligible Buyer happening or becoming inevitable or, in the Bank's opinion (acting reasonably), highly likely;
- (b) it becoming illegal for the Eligible Buyer to pay all or part of the Receivable out of the Eligible Buyer's Jurisdiction in the currency in which it is due because of the imposition in the Eligible Buyer's Jurisdiction, after the date the relevant Funded Amount is paid for such Receivable, of a prohibition or restrictions on offshore foreign currency payments;
- (c) any Receivable of the Eligible Buyer is overdue for payment past the maximum extension period as specified in the Eligible Buyers Listing. If there are more than one outstanding invoices, the date used will be the expiry of the maximum extension period as specified in the Eligible Buyers Listing applicable to the invoice which was due first for payment; or
- (d) the Eligible Buyer has dishonoured or failed to pay any bill of exchange, promissory note, cheque or direct debit upon its first presentation for payment.

Collection Account means the relevant account held with the Bank in the name of the Bank into which a Seller remits:

- (a) amounts relating to Receivables, which that Seller has received from Eligible Buyers; and
- (b) certain other amounts that Seller is obliged to pay the Bank under this Agreement,

and being the relevant account set out at Part 4 of Schedule 5 and subsequently as may be notified by the Bank in writing.

Commencement Date means the date the Bank confirms to the Sellers' Agent that it has received and is satisfied with each of the documents required to be delivered by the Original Seller pursuant to Clause 1.4.

Commercial Dispute Event means, for a Receivable, any one or more of the following:

- (a) all or any part of the Receivable or any relevant part of the Contract being or becoming invalid or unenforceable against the Eligible Buyer because of an act or omission of the relevant Seller; and/or

- (b) a situation where the Eligible Buyer does not pay the relevant Seller the Receivable in full by the end of the Waiting Period because the Eligible Buyer asserts it is entitled not to pay because of a breach of the Contract or some other obligation by such Seller; and such Seller: (i) fully or partially accepts the Eligible Buyer's assertion; or (ii) disputes the Eligible Buyer's assertion but is unable to demonstrate that the Eligible Buyer's allegation of breach is groundless.

Contract means, for a Receivable, the supply contract under which the relevant Seller originates that Receivable.

Credit Limit means a monetary limit set by the Bank limiting the maximum amount of Outstanding Purchased Receivables referable to an Eligible Buyer at any time, and as set out in the Eligible Buyers Listing, as amended from time to time.

Deferred Purchase Price Amount means with respect to any Purchased Receivable, the Net Value of such Purchased Receivable multiplied by the DPP Percentage applicable to such Purchased Receivable.

Dilutions means, with respect to any Receivable, the following items:

- (a) credit notes;
- (b) discounts;
- (c) debit adjustments; and
- (d) credit adjustments.

Such amounts shall be required to be submitted by the Sellers in the data entries provided by the Sellers in each Notification.

Discount Rate has the meaning given to it in Schedule 2.

DPP Account has the meaning set forth in Clause 3.1.3.

DPP Percentage means, in respect of a Receivable due from any Eligible Buyer, the percentage set out against that Eligible Buyer's name in the Eligible Buyers Listing.

Due Date means, for a Receivable, the date on which it is due from the Eligible Buyer, as stated in its Notification.

Eligible Buyer means a Buyer listed in the Eligible Buyers Listing as amended from time to time.

Eligible Buyer's Jurisdiction means the jurisdiction of incorporation of an Eligible Buyer as identified in the Eligible Buyers Listing as amended from time to time.

Eligible Buyers Listing means the Eligible Buyers Listing set out at Schedule 3 and as subsequently amended in accordance with Clause 6.3 from time to time.

Eligible Receivables means Receivables which satisfies the criteria described in Clause 7.2.

Enforcement Costs means any out-of-pocket costs spent protecting or enforcing any Receivable.

Federal Bank Rate means, for any day, (a) the short-term interest rate target set by the U.S. Federal Open Market Committee as published by the Federal Reserve Bank of New York from time to time; or (b) if that target is not a single figure, the arithmetic mean of: (i) the upper bound of the short-term interest rate target range set by the U.S. Federal Open Market Committee and published by the Federal Reserve Bank of New York; and (ii) the lower bound of that target range provided that a reference to a Federal Bank Rate shall include any successor rate to, or replacement rate for, that rate.

Federal Bank Rate Adjustment means, in relation to any payment date, the mean of the spreads (expressed as a percentage rate per annum) over the five most immediately preceding New York business days for which the SOFR Screen Rate has been published of: (a) the SOFR Screen Rate for that interest period on that day; and (b) the Federal Bank Rate prevailing at close of business on that day, as calculated by the Bank excluding the highest spread (and, if there is more than one highest spread, only one of those highest spreads) and lowest spread (or, if there is more than one lowest spread, only one of those lowest spreads).

Financing Fee has the meaning given to it in Schedule 2.

Foreign Public Buyer means an Eligible Buyer outside Hong Kong whose creditworthiness is reasonably considered to be equal to that of the state in the Eligible Buyer's country, due to the Eligible Buyer's statutory position or a commitment from the state of the Eligible Buyer's country with regard to the Eligible Buyer's financial support.

Funded Amount means, for a Notified Receivable, the amount calculated after deducting the Deferred Purchase Price Amount from the Purchase Price. When such term is used without reference to any specific Purchased Receivables, it shall constitute a reference to all Purchased Receivables.

HSBC Group means HSBC Holdings plc, its subsidiaries and/or associated companies and/or any of its or their agents.

Insolvency Event means, when made in reference to (A) any Seller (unless amended in relation to an Additional Seller by a relevant Seller Accession Agreement) or (B) any Eligible Buyer, any corporate action, legal proceedings or other procedure or step being taken in relation to:

- (a) that Seller or Eligible Buyer suspending payments on any of its debts or is otherwise unable to pay its debts as they fall due;
- (b) a moratorium of any indebtedness of that Seller or Eligible Buyer;
- (c) the dissolution, administration, reorganisation or winding-up of that Seller or Eligible Buyer (including by voluntary arrangement or scheme of arrangement);
- (d) a composition, compromise, assignment or arrangement with any creditor of that Seller or Eligible Buyer;
- (e) the appointment of a liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer over that Seller or Eligible Buyer or any of its assets; or
- (f) the enforcement of any Security over any of that Seller's or that Eligible Buyer's assets (other than Security given for the limited recourse financing of the assets over which the Security is being enforced),

or any analogous procedure or step being taken in any jurisdiction.

Late Payment Costs means, for a Receivable, any interest or other charges for which the Eligible Buyer is liable in connection with any late payment of the Receivable or any late reimbursement of any Enforcement Costs by the Eligible Buyer, including interest or other charges on any capitalised late payment interest or charges.

Losses means all losses, costs, damages, claims, actions, suits, demands and liabilities.

Net Value means, in relation to any Notified Receivable, the Notified Value less the aggregate value of Dilutions applicable to such Notified Receivable as reflected in such Notification.

Notice of Assignment has the meaning given to it at Clause 3.3.3(a).

Notification means the process by which a Seller advises the Bank of the creation of Eligible Receivables and Dilutions and **Notified** and **Notify** shall be construed accordingly.

Notified Value means the value of each Notified Receivable as represented in a Notification, including any applicable Tax or duty and before deducting any Dilutions applicable thereto.

Outstanding Purchased Receivable means any Purchased Receivable which is wholly or partly unpaid and has not been reassigned by the Bank to the relevant Seller.

Parties means the Bank, the Sellers and the Sellers' Agent and, as the context allows, **Party** means any one of them.

Payment means a payment by the Bank to the relevant Seller Account on account of the Funded Amount of a Receivable.

Payment Amount means, as of any given Settlement Date, the difference between:

(a) the sum of (i) the aggregate Purchase Prices applicable to Receivables purchased on such Settlement Date by the Bank in accordance with Clause 3.1, (ii) any decrease in the DPP Account pursuant to Clause 3.1 occurring during the most recently ended Settlement Period, (iii) other amounts deposited in the relevant Collection Accounts not representing collections on Purchased Receivables and (iv) any other amounts payable by the Bank to the relevant Seller under this Agreement, and

(b) the sum of (i) all Actual Dilutions on Purchased Receivables deemed received during the most recently ended Settlement Period, (ii) any increase in the DPP Account pursuant to Clause 3.1 occurring during the most recently ended Settlement Period, (iii) any fees and expenses, if any, payable by such Seller to the Bank on Settlement Date and (iv) any other amounts due and owing to the Bank by such Seller under this Agreement as of such Settlement Date (including, if the Bank elects in its sole discretion, any amounts owing by the relevant Seller under Clause 10.2 in connection with a Repayment Event but not yet paid and any amounts set-off by the Bank under Clause 10.3).

Payment Terms has the meaning given to it in the Eligible Buyers Listing as amended from time to time.

Political Risk Event means, for a Receivable, the direct prevention of the payment of the Receivable by the Eligible Buyer or performance of the sale and/or services contract by the relevant Seller as a result of any of the following political events:

- (i) the occurrence in the country in which the Eligible Buyer is located (provided that the Eligible Buyer is not located in Hong Kong) or war (whether declared or not), invasion, act of foreign enemy hostilities, civil war, insurrection, rebellion, riot, revolution and/or military or usurped power;
- (ii) transfer restriction where there is a decree by the government of the Eligible Buyer's country imposing restrictions on currency transfer;
- (iii) the passing of a decree by the government in the country in which the Eligible Buyer is located, exonerating it from paying the additional sum due if there is a difference between the amount deposited in local currency on the date of the deposit or on the date of completion of the transfer formalities, and the amount due to be paid;
- (iv) inconvertibility of the currency of the Eligible Buyer's country where the Receivable is payable in a currency other than the currency of the Eligible Buyer's country; and
- (v) the passing of a decree by the government in the country in which the Eligible Buyer is located preventing the Eligible Buyer paying for receivables assigned to a third country.

Purchase Fee means, for a Notified Receivable, the amount calculated by applying the applicable Discount Rate to the Funded Amount of that Receivable on the relevant Settlement Date on which such Receivable is purchased for the number of days between such Settlement Date and the Wating Period for such Receivable.

Purchase Price means, for a Notified Receivable that is purchased by the Bank, a sum equal to the Net Value of the such Notified Receivable.

Purchased Receivable means a Receivable with respect to which the Bank has paid the Funded Amount therefor to the Seller subject to the various netting and set-off mechanics described in this Agreement.

Receipts Account means the Sellers' Agent's or each Seller's bank account(s) into which Eligible Buyers must pay the amount of all Receivables, and being (unless the Bank agrees otherwise in writing):

- (a) for an Original Seller, the account set out against its name at Part 3 of Schedule 5; and

- (b) for an Additional Seller, the account listed as such in the relevant Seller Accession Agreement.

Receivable means all or any of the relevant Seller's rights to receive payment (whether under the Contract, at law or otherwise and whether constituting an account, payment intangible, other general intangible, instrument or otherwise) for a provision of goods or services by that Seller to an Eligible Buyer in the normal course of the relevant Seller's trading activities that are:

- (a) originated by such Seller issuing an invoice to that Eligible Buyer; and
- (b) identified by reference to the number of that invoice,

including rights that relate to any one or more of:

- (i) the obligation of the Eligible Buyer to pay the invoice amount;
- (ii) any obligation of the Eligible Buyer to pay any related Late Payment Costs;
- (iii) any obligation of the Eligible Buyer to pay any related Enforcement Costs; or
- (iv) the related goods and/or services provided,

but excluding Receivables not in an Approved Currency.

Repayment Event means, for a Receivable, any of:

- (a) a Commercial Dispute Event happening in relation to that Receivable;
- (b) the relevant Seller failing to comply with its obligations relating to that Receivable under this Agreement in a material respect and not remedying this non-compliance within five Business Days of a written request from the Bank to do so;
- (c) any representation made in connection with that Receivable was incorrect in any material respect when made;
- (d) a Political Risk Event in relation to that Receivable has occurred; or
- (e) upon payment of the Purchase Price (and the making of the relevant Payment) with respect to such Receivable by the Bank on the applicable Settlement Date, the Bank shall not acquire a valid ownership interest in such Receivable, free and clear of any lien, encumbrance or other adverse claim, and without any need on the part

of any Seller or the Bank to (other than the filing of the UCC financing statements required to be filed hereunder) to take any other action.

Reporting Date means the date on which a Notification is delivered to the Bank in accordance with Clause 2.

Sanctions shall have the meaning given to it in Clause 7.1.6 of this Agreement.

Security means a mortgage, charge, pledge, hypothecation, lien, assignment by way of security, retention of title provision, right of set-off, trust or flawed asset arrangement (for, or which has the effect of, granting security) or other security interest securing any obligation of any person, whether or not conditional, or any other agreement or arrangement in any jurisdiction having a similar effect.

Security Document means each document entered into by a Seller for the purpose of granting any Security to the Bank in accordance with the terms of this Agreement.

Seller means:

- (a) an Original Seller; or
- (b) an Additional Seller,

that has not stopped being party to this Agreement.

Seller Accession Agreement means an agreement, in form and substance satisfactory to the Bank, under which an Additional Seller accedes to this Agreement, executed by the relevant Additional Seller, the Bank and the Sellers' Agent (for itself and on behalf of all other Sellers).

Seller Account means:

- (a) for an Original Seller, the account set out against its name at Part 1 of Schedule 5; and
- (b) for an Additional Seller, the account listed as such in the relevant Seller Accession Agreement.

Seller Limit has the meaning given to it in Schedule 2.

Settlement Date means [the second Business Day] following each Reporting Date.

Settlement Period means, each period from (and including a Reporting Date to (but excluding) the next Reporting Date.

SOFR means, for any amount and any period, (a) the applicable SOFR Screen Rate at or around 12:00 p.m. London time the business day in London (or such other time or day as determined by the Bank if the market

practice differs) before the relevant calculation and/or start of that period or, (b) if, in any case, the SOFR Screen Rate is not available for that interest period for a period of 7 days (during which time the most recently available SOFR Screen Rate shall be used (to the extent there is one)) and a replacement for SOFR has not been notified to you as a replacement Applicable Rate, then the percentage rate per annum which is the aggregate of: (i) the Federal Bank Rate prevailing before the date of payment as determined by the Bank; and (ii) the applicable Federal Bank Rate Adjustment (rounded if necessary to four decimal places with 0.00005 being rounded upwards).

SOFR Screen Rate means the Term SOFR (secured overnight financing rate) reference rate published by the CME Group Benchmark Administration Limited for the relevant period, provided that: (a) if no reference rate corresponds to the tenor of the relevant interest period, the Bank may determine the rate by reference to any published reference rates at its discretion, and (b) if CME Group Benchmark Administration Limited ceases to publish such reference rate, the Bank may specify another source which publishes the Term SOFR reference rate.

Standard Contract means the (or one of the) template form(s) of contract the relevant Seller customarily uses with Eligible Buyers, an up-to-date copy of which such Seller has provided to the Bank.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Term has the meaning given to it in Schedule 2.

Termination Event means any event listed in Clause 9.

Transaction Document means this Agreement, each Seller Accession Agreement, each guarantee and indemnity agreement, each Security Document and each other document entered into in relation to any of the foregoing.

US Dollars and **\$** mean the lawful currency for the time being of the United States of America.

VAT means any goods and services tax, value added tax, sales tax or other similar tax imposed in any jurisdiction.

Waiting Period means, for a Receivable, [3] days from the Due Date or [150] days from the relevant invoice date, whichever is the sooner, or, with respect to any Receivable not yet purchased, such other period as notified by the Bank from time to time.

Schedule 2 — Commercial Terms

Administration Fee	N/A
Annual Renewal Fee	To be agreed between the Seller and the Bank from time to time
Approved Currency	USD
Arrangement Fee	N/A
Financing Fee	N/A
Discount Rate	Applicable Rate plus: 100 basis points per annum
Same Day Payment Fee	N/A
Seller Limit	USD 60,000,000
Term	Commencing from the date of this Agreement, subject to any extension as the Bank may agree at its sole discretion.

Schedule 3— Eligible Buyers Listing

Buyer	Credit Limit (USD)	Payment Terms (days)	Jurisdiction	DPP Percentage	Governing law of Contract	Tenor of payment
Amazon.com Services, LLC	60,000,000	60 to 90 days	The United States	30%	Washington state law	Net 60 to 90 days

Schedule 4 — Form of Notice of Assignment of Receivables

[On the letterhead of the relevant Seller — please ensure that the address of the relevant Seller is included]

To: AMAZON.COM SERVICES, LLC

Dated: [insert date]

Dear Sirs,

CONTRACT OF SALE BETWEEN AMAZON.COM SERVICES, LLC AND ETEKCITY CORPORATION DATED [INSERT DATE] AND RECEIVABLES DISCOUNTING AGREEMENT (THE “RPA”) DATED [INSERT DATED] BETWEEN, AMONGST OTHERS ETEKCITY CORPORATION AND THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (“HSBC”).

On [insert date] ETEKCITY CORPORATION and AMAZON.COM SERVICES, LLC entered into an agreement relating to supply of Products to AMAZON.COM SERVICES, LLC (the **Contract**).

This letter constitutes notice to you that, by virtue of the operation and effect of the RPA, ETEKCITY CORPORATION has sold, assigned and/or pledged to HSBC all its existing and future right, title and interest in and to all accounts receivable and certain other related rights owing to it under the Contract.

Until further notice from HSBC all payments due from you under the Contract must be paid, from the date of this notice, to HSBC for its own account as follows:

[insert account details]

Your payment obligations under the Contract will only be duly discharged when payment has been made to this account.

Please acknowledge receipt of this notice by signing and returning the signed copies to [insert name of Seller] at the address above and to HSBC at the address below:

For the attention of: [insert name], [insert address of HSBC entity].

Yours faithfully,

for and on behalf of
ETEKCITY CORPORATION

By signing below, AMAZON.COM SERVICES, LLC acknowledges receipt of this notice of assignment.

for and on behalf of
AMAZON.COM SERVICES, LLC

Schedule 5- Seller Information

Part 1 - Seller Accounts

Seller name	Seller Account Details	
Etekcity Corporation	Bank Name:	The Hongkong and Shanghai Banking Corporation Limited
	Account Name:	Etekcity Corporation
	Account No:	741-734404-838
	Swift Code:	HSBC HKH H HKH

Part 2 - Seller Limits

Seller name	Seller Limit
Etekcity Corporation	USD 60,000,000

Part 3 – Receipts Accounts

Seller name	Receipts Account Details	
Etekcity Corporation	Bank Name:	The Hongkong and Shanghai Banking Corporation Limited
	Account Name:	Etekcity Corporation (As trustee for HSBC)
	Account No:	741-472344-274 (USD)
	Swift Code:	HSBC HKH H HKH

Part 4 – Collection Account

Bank Name: The Hongkong and Shanghai Banking Corporation Limited
Account Name: The Hongkong and Shanghai Banking Corporation Limited, Receivables Finance Division
Account No: 002-920072-102 (USD)
Swift Code: HSBC HKH H HKH



Etekcity Corporation

315 E. 5TH ST. STE 202 WATERLOO,
IA, 50703, the United States

Date: 12 December 2024

Dear Sirs,

Recourse Discounting Agreement

1. We refer to the Receivables Discounting Agreement dated 19 June 2024 made between you and us (together and as amended from time to time, the "**Agreement**"). Definitions in the Agreement apply here.
2. We propose to revise and amend Schedule 2 (Commercial Terms) and Schedule 3 (Eligible Buyers Listing) with a new Schedule 2 (Commercial Terms) and Schedule 3 (Eligible Buyers Listing), in the form attached in the Appendix to this letter.
3. Please confirm by signing and returning a copy of this letter by way of acknowledgement that you (in your own capacity as the Seller only) agree to our proposed amendments with effect from the date of your acknowledgement of this letter (the "**Effective Date**").

Upon receipt of your acknowledgment to this letter, the Agreement will be revised and amended by this letter on the Effective Date.

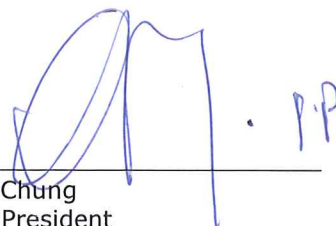
This letter is governed by Hong Kong law.

Should you have any question to the above, please contact Max Chung at (+852) 2914 8460.

Yours faithfully,

For and on behalf of

The Hongkong and Shanghai Banking Corporation Limited



Max Chung
Vice President

The Hongkong and Shanghai Banking Corporation Limited

Commercial Banking Hong Kong
GTS Structured Trade Finance
5/F, HSBC Building MongKok, 673 Nathan Road, MongKok, Kowloon
SWIFT: HSBCHKHH
Web Site : www.hsbc.com.hk

Appendix

Schedule 2 — Commercial Terms

Administration Fee	N/A
Annual Renewal Fee	To be agreed between the Seller and the Bank from time to time
Approved Currency	USD
Arrangement Fee	N/A
Financing Fee	N/A
Discount Rate	Applicable Rate plus: 100 basis points per annum
Same Day Payment Fee	N/A
Seller Limit	USD90,000,000 (previously USD 60,000,000)
Term	Commencing from the date of this Agreement, subject to any extension as the Bank may agree at its sole discretion.

Schedule 3 — Eligible Buyers Listing

Buyer	Credit Limit (USD)	Payment Terms (days)	Jurisdiction	DPP Percentage	Governing law of Contract	Tenor of payment
Amazon.com Services, LLC	90,000,000 (previously 60,000,000.-)	60 to 90 days	The United States	30%	Washington state law	Net 60 to 90 days



Acknowledgment

We **Etekcitiy Corporation** acknowledge and agree to the terms of the above letter and all the proposed amendments therein.

For and on behalf of
Etekcitiy Corporation

Name(s):

Date: 2025.1.7

We, VESYNC CO., LTD, hereby acknowledge the terms of the above letter and acknowledge that the Agreement will be amended by the terms of the above letter. We confirm that our obligations under corporate guarantee dated 19 June 2024 provided in favour of the Bank will continue in full force and effect and will not be discharged by the Agreement (as amended and supplemented by the terms of above letter and from time to time), and shall extend in all respects to the obligations of the Seller under the Agreement (as amended and supplemented by the terms of above letter and from time to time).

For and on behalf of
VESYNC CO., LTD

Name(s):

Date: 2025.1.7