CONFIDENTIAL

Dated 24 July 2026

LYU GUANGHONG

and

GAEA SPORTS LIMITED

and

CHINA DONGXIANG (GROUP) CO., LTD.

SETTLEMENT DEED

NORTON ROSE FULBRIGHT

THIS DEED is made on 24 July 2026 between:

(1) **LYU GUANGHONG** at [redacted] (the "**Seller**");

(2) **GAEA SPORTS LIMITED**, a company incorporated in Hong Kong, whose registered office is at Unit 7, 13/F., Tower One, Lippo Centre, No.89 Queensway, Hong Kong ("**GSL**"); and

(3) **CHINA DONGXIANG (GROUP) CO., LTD.**, an exempted company incorporated in the Cayman Islands and listed on the Stock Exchange (stock code: 3818), whose registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681 Grand Cayman KY1-1111, Cayman Islands (the "**Company**"),

(each of the Seller, GSL and the Company, a "**Party**" and collectively the "**Parties**").

WHEREAS:

(A) The Seller as the subscriber and the Company as the issuer entered into a subscription agreement dated 19 January 2018 in respect of the Seller's subscription of certain Shares (the "**Subscription Agreement**").

(B) The Seller as borrower and Bright Pacific Enterprises Limited as lender entered into a loan agreement dated 19 January 2018 (the "**Loan Agreement**"), pursuant to which Bright Pacific Enterprises Limited agreed to lend certain amounts to the Seller for financing his/her acquisition of the Shares issued by the Company in accordance with the terms and conditions therein.

(C) The Seller as chargor and Bright Pacific Enterprises Limited as chargee entered into a deed of charge over shares dated 19 January 2018 (the "**Share Charge**"), pursuant to which the Seller charged to Bright Pacific Enterprises Limited, by way of first fixed charge, all of his rights and interests in the Investments in accordance with the terms and conditions therein.

(D) Bright Pacific Enterprises Limited as assignor and GSL as assignee entered into an assignment of loan and security dated 29 June 2020 (the "**Assignment**"), pursuant to which Bright Pacific Enterprises Limited assigned its right, title and interest in the Loan Agreement and the Share Charge to GSL in accordance with the terms and conditions therein.

(E) The Seller as borrower and GSL as lender entered into an amendment letter dated 29 July 2022 to amend certain terms of the Loan Agreement (the "**Amendment Letter**").

(F) On and subject to the terms of this Deed,

(a) the Seller has agreed to sell, and the Company has agreed to buy back the Sale Shares;

(b) the Parties have agreed that (i) the Consideration payable by the Company to the Seller for the Buy-back; and (ii) any outstanding amount of the Retained Dividends shall be set off against the equivalent amount of the outstanding balance due and payable by the Seller to GSL under the Loan Agreement;

(c) the Parties have agreed that all of the Charged Assets from the Security granted by the Seller to GSL under the Share Charge shall be released;

(d) the Parties have agreed that any residual amount of the outstanding balance due and payable by the Seller to GSL under the Loan Agreement after the set-off described in paragraph (b) above shall be waived by GSL; and

(e) the Parties have agreed that following Closing, the Company shall cancel the Buy-back Shares (as defined in the Announcement) and any rights attaching thereto shall cease with effect from such cancellation.

(G) It is contemplated that a number of settlement deeds (the "**Other Settlement Deeds**") will be separately entered into by the Company and GSL with the Other Sellers, details of which are set out in the Announcement.

NOW IT IS HEREBY AGREED as follows:

1 Interpretation

In this Deed, unless the context otherwise requires, the provisions in this Clause 1 apply:

1.1 **Definitions**

"**Advance**" has the meaning given to it in the Loan Agreement, the amount of which is set out in column (3) of the table set out in Schedule 1;

"**Amendment Letter**" has the meaning given to it in Recital (E);

"**Announcement**" means the announcement published by the Company on or around the date of this Deed on the website of the Stock Exchange in respect of, among others, this Deed and the Other Settlement Deeds;

"**Articles of Association**" means the articles of association of the Company as amended and restated from time to time;

"**Assignment**" has the meaning given to it in Recital (D);

"**Business Day**" means a day (excluding Saturdays, Sundays and public holidays) on which the Stock Exchange is generally open for transaction of business and banks are generally open for business in Hong Kong;

"**Buy-back**" means the buy-back of the Sale Shares by the Company in accordance with the terms of this Deed;

"**Buy-back Price**" means the price per Sale Share referred to in Clause 3.1;

"**CCASS**" means the Central Clearing and Settlement System established and operated by HKSCC;

"**Charged Assets**" has the meaning given to it in the Share Charge;

"**Closing**" means completion by the Parties of their respective obligations in accordance with Clause 7.3;

"**Closing Date**" means subject to the satisfaction (or waiver in accordance with this Deed) of the Conditions set out in Clause 6.1, the twentieth Business Day immediately following the date on which the last of the Conditions set out in Clauses 6.1.1 to 6.1.5 are satisfied, or such other date as the Parties may agree in writing;

"**Company Broker/Custodian**" means a Hong Kong licensed equity broker or custodian and is acting for the Company in relation to the settlement of the purchase of the Sale Shares which are held by the Seller through CCASS;

"**Conditions**" means the conditions as set out in Clause 6.1;

"**Consideration**" means the consideration payable by the Company for the Buy-back, the amount of which is set out in column (5) of the table set out in Schedule 1;

"**Disinterested Shareholders**" has the meaning given to it in the Announcement;

"**EGM**" has the meaning given to it in the Announcement;

"**Encumbrance**" means any claim, charge, mortgage, lien (statutory or other), option, equitable right, power of sale, pledge, hypothecation, assignment, usufruct, retention of title, right of pre-emption, right of first refusal, right of way, encroachment, easement or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing;

"**Executive**" means the Executive Director of the Corporate Finance Division of the SFC;

"**Governmental Authority**" means any court or arbitration tribunal or single arbitrator, administrative, governmental or regulatory body, stock exchange or self-regulatory organization, legislature, department, commission, board, agency, bureau, instrumentality, division, public body or other authority of any nation or government or any political subdivision thereof, whether national, provincial or local, domestic or foreign and including the SFC;

"**HKSCC**" means Hong Kong Securities Clearing Company Limited;

"**HK$**" means Hong Kong dollars, the lawful currency of Hong Kong;

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

"**Investments**" has the meaning given to it in the Share Charge;

"**Laws**" means with respect to any person or matter, any and all provisions of any law, statute, regulation, ordinance or code (including the Listing Rules, the Share Buy-backs Code, the Takeovers Code and any other securities or stock exchange regulation or rule), or any order of, or determination by, any Governmental Authority or the Stock Exchange, applicable to such person or matter;

"**Listing Rules**" means the Rules Governing the Listing of Securities on the Stock Exchange;

"**Loan Agreement**" means the loan agreement entered into between the Seller as borrower and Bright Pacific Enterprises Limited as lender as referred to in Recital (B) (and subsequently assigned to GSL through the Assignment and amended by the Amendment Letter as referred to in Recitals (D) and (E));

"**Loan Waiver**" has the meaning given to it in Clause 4.1;

"**Long Stop Date**" means the date falling 180 days after the date of this Deed or such other date as the Parties may agree in writing;

"**Other Sellers**" means such person named as the Vendors in the Announcement other than the Seller;

"**Other Settlement Deeds**" has the meaning given to it in Recital (G);

"**Outstanding Balance**" means an amount equal to the aggregate principal amount of the Advance plus interest (including any default interest) that have or will have accrued and remained outstanding, which are due and payable by the Seller to GSL under the Loan Agreement on Closing Date, and for illustrative purpose only, the aggregate amount of the

Outstanding Balance as of the date of this Deed is set out in column (4) of the table set out in Schedule 1;

"**Residual Amount**" has the meaning given to it in Clause 4.1;

"**Retained Dividends**" means dividends received in respect of the Sale Shares that are retained by GSL pursuant to the Amendment Letter, and for illustrative purpose only, the outstanding amount as of the dated of this Deed is set out in column (6) of the table set out in Schedule 1;

"**Sale Shares**" means the number of Shares as set out in column (2) of the table set out in Schedule 1 and "**Sale Share**" means any one of them;

"**Security**" has the meaning given to it in the Share Charge;

"**Seller Broker/Custodian**" means a Hong Kong licensed equity broker or custodian and is acting for the Seller in relation to the settlement of the sale of the Sale Shares which are held by the Seller through CCASS;

"**Set-off**" has the meaning given to it in Clause 3.2;

"**SFC**" means the Securities and Futures Commission of Hong Kong;

"**Share Buy-backs Code**" means the Code on Share Buy-backs issued by the SFC;

"**Share Charge**" means the deed of charge over shares entered into between the Seller as chargor and Bright Pacific Enterprises Limited as chargee and referred to in Recital (C) (and subsequently assigned to GSL through the Assignment as referred to in Recital (D));

"**Shares**" means the issued ordinary shares in the Company;

"**Stock Exchange**" means The Stock Exchange of Hong Kong Limited;

"**Subscription Agreement**" has the meaning given to it in Recital (A);

"**Surviving Clauses**" means Clauses 1, 9, 10, 11 and 12 and "**Surviving Clause**" means any one of them; and

"**Takeovers Code**" means the Code on Takeovers and Mergers issued by the SFC.

1.2 **Singular, plural, gender**

References to one gender include all genders and references to the singular include the plural and vice versa.

1.3 **References to persons and companies**

References to:

1.3.1 a person include any natural person, company, partnership or unincorporated association (whether or not having separate legal personality); and

1.3.2 a company include any company, corporation or body corporate, wherever incorporated.

1.4 **Reference to documents**

References to any document, or to a provision in a document, shall be construed as a reference to such document or provision as amended, supplemented, modified, restated, assigned or novated from time to time.

1.5 **Information**

References to books, records or other information mean books, records or other information in any form including paper and electronically stored data.

1.6 **Legal terms**

References to any Hong Kong legal term shall, in respect of any jurisdiction other than Hong Kong, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction.

1.7 **Non-limiting effect of words**

The words "including", "include", "in particular" and words of similar effect shall not be deemed to limit the general effect of the words that precede them and the word "including" or "include" shall be deemed to be followed with "but not limited to".

2 Buy-back

2.1 On and subject to the terms of this Deed, the Seller agrees to sell or procure the sale of, and the Company agrees to buy back, the Sale Shares at the Buy-back Price per Sale Share.

2.2 Subject to Clause 5, the Sale Shares shall be sold by the Seller to the Company free from any Encumbrance (save and except the Share Charge), fully paid and with all rights attached or accruing to them on and from the time of Closing.

2.3 Immediately following Closing, the Company shall cancel the Buy-back Shares and any rights attaching thereto shall cease with effect from such cancellation.

2.4 For the avoidance of doubt and notwithstanding the Share Charge, GSL hereby irrevocably consents to and agrees that the execution, delivery and performance of this Deed by the Seller and the consummation of the transactions contemplated herein (including the Buy-back, the Set-off and the Loan Waiver) do not and will not contravene, result in a breach or violation of, or constitute a default under the Share Charge.

3 Consideration

Buy-back Price

3.1 The price for the Buy-back shall be HK$0.285 per Sale Share (the "**Buy-back Price**"). The Consideration, which equals to the Buy-back Price multiplied by the number of Sale Shares, is set out in column (5) of the table set out in Schedule 1. The Consideration shall be settled at Closing in accordance with this Clause 3.

Set Off

3.2 The (a) Consideration payable by the Company at Closing and (b) any outstanding amount of Retained Dividends at Closing shall be set-off against an equivalent amount of the Outstanding Balance due from the Seller to GSL (the "**Set-off Amount**"), such that, upon Closing, (i) the Set-off Amount out of the Outstanding Balance shall be deemed as repaid or discharged by the Seller under the Loan Agreement (the "**Set-off**"); and (ii) the Consideration shall be deemed as paid in full by the Company.

3.3 For the avoidance of doubt, each of the Company, GSL and the Seller acknowledges that, as a result of the Set-off:

3.3.1 the Seller shall be deemed to have received the Consideration payable to him and shall discharge the Company from and have no further claim against the Company in respect of the Consideration under Clause 3.1; and

3.3.2 the Set-off Amount shall be deemed to have been received by GSL as partial settlement of the Loan Agreement and the Outstanding Balance shall be reduced by an amount equal to the Set-off Amount and the Seller's obligation of repayment of such part of the Outstanding Balance shall be fully and unconditionally discharged and released.

4 Waiver of Residual Amount

4.1 Subject to terms of this Deed, each of the Company and GSL agrees that the remaining amount of the Outstanding Balance due and payable by the Seller at Closing immediately after the Set-off as more particularly described in Clauses 3.2 and 3.3 (the "**Residual Amount**") shall be waived in full by GSL upon Closing (the "**Loan Waiver**").

4.2 The Loan Waiver shall be deemed to be completed upon Closing, and GSL shall deliver a written notice by GSL to the Seller at Closing, which shall contain particulars of the Residual Amount involved and confirmation that the Loan Waiver has been effected.

4.3 For the avoidance of doubt, upon Closing, all liabilities or obligations of the Seller under the Loan Agreement and the Amendment Letter shall be deemed to have been irrevocably extinguished and fully discharged and neither the Company nor GSL shall have any further claim against the Seller in respect thereof.

5 Release

Each of the Parties agrees that with effect from Closing, GSL shall:

5.1.1 release all of the Charged Assets from the Security granted by the Seller to GSL under the Share Charge; and

5.1.2 release the Seller from all obligations and liabilities (actual or contingent) and from all covenants, undertakings, representations and warranties under the Share Charge,

(hereinafter referred to as the "**Release**").

6 Conditions

6.1 Conditions

This Deed (including without limitation the Buy-back, the Set-off and the Loan Waiver) is subject to and conditional upon the prior and continued satisfaction (or waiver by the appropriate Party in accordance with Clause 6.2.1) of the following Conditions:

6.1.1 the Executive having approved the Buy-back pursuant to Rule 2 of the Share Buy-backs Code (and such approval not having been withdrawn) and the condition(s) of such approval, if any, having been satisfied;

6.1.2 the passing of the necessary resolution at the EGM by at least three-fourths of the votes cast on a poll by Disinterested Shareholders in attendance in person or by proxy approving the Settlement (as defined in the Announcement);

6.1.3 all consents or approvals of any relevant government authorities or other relevant regulatory bodies which are required by the Company for entering into and the implementation of this Deed and the transactions contemplated hereunder (including but not limited to the Buy-back) having been obtained;

6.1.4 each of the warranties given by the Seller under this Deed remaining true, accurate and not misleading in all respects up to the time of Closing; and

6.1.5 the due performance and observance by the Seller of all of his undertakings and obligations under this Deed.

6.2 **Satisfaction/Non-Satisfaction/Waiver**

6.2.1 The Conditions under Clauses 6.1.1, 6.1.2 and 6.1.3 cannot be waived by any Party.

6.2.2 The Company may, in its sole discretion and at any time by notice in writing to the Seller, waive the Conditions under Clause 6.1.4 and Clause 6.1.5.

6.2.3 If any of the Conditions are not satisfied or (where applicable) waived on or before the Long Stop Date, this Deed shall automatically lapse and be of no further effect automatically and neither the Seller, GSL nor the Company shall have any further obligations or liabilities to any other Party under this Deed, save for any antecedent breaches of the terms hereof.

6.2.4 If this Deed is terminated in accordance with Clause 6.2.3:

(i) subject to Clause 6.2.4(iii), neither the Seller, GSL nor the Company shall have any claim against any Party under this Deed;

(ii) except for this Clause 6.2.4 and the Surviving Clauses, all the provisions of this Deed shall lapse and cease to have effect; but

(iii) the lapse and cessation of provisions of this Deed referred to in Clause 6.2.4(ii) shall not affect any accrued rights or liabilities of any Party in respect of non-performance of any obligation under this Deed, the Loan Agreement or Amendment Letter falling due for performance prior to or after such lapse and cessation.

7 Closing

7.1 No later than five Business Days after the date of this Deed, the Seller shall give written notice to the Company setting out the name of the Seller Broker/Custodian together with such account details of the Seller Broker/Custodian required to permit the Company Broker/Custodian to undertake the transaction for the Sale Shares with the Seller Broker/Custodian.

7.2 No later than five Business Days prior to Closing, the Company shall give written notice to the Seller setting out the name of the Company Broker/Custodian together with such account details of the Company Broker/Custodian required to permit the Seller Broker/Custodian to undertake the transaction for the Sale Shares with the Company Broker/Custodian.

7.3 Closing shall take place at 3:00 p.m. (Hong Kong time) on the Closing Date or at such other time or on such other date as may be agreed between the Parties in writing.

7.3.1 At Closing,

(i) the Closing of the Buy-back shall take place in the Central Clearing and Settlement System operated by CCASS on a free of payment basis. The Seller shall (a) procure the Seller Broker/Custodian to give an irrevocable delivery instruction to effect a book-entry settlement of the Sale Shares in accordance with this Deed and the General Rules and the Operational Procedures of CCASS to the credit of the account of the Company Broker/Custodian; and (b) provide evidence of such irrevocable instructions having been given;

(ii) each of the Company, GSL and the Seller shall effect the Set-off and the Loan Waiver in accordance with Clauses 3 and 4; and

(iii) the Release shall take effect in accordance with Clause 5.

7.4 Closing shall have taken place once all obligations in Clause 7.3 have been fulfilled.

7.5 The Company is not obliged to purchase any of the Sale Shares unless the Seller sells all of the Sale Shares simultaneously (or on the same day in accordance with this Clause 7) and the Seller is not obliged to sell any of the Sale Shares unless the Company buys back all of the Sale Shares simultaneously (or on the same day in accordance with this Clause 7).

7.6 If a Party fails to comply with any obligation in Clause 7.1, 7.2 or 7.3, in addition to and without prejudice to all other rights or remedies available, the Company (in the case of non-compliance by the Seller) or the Seller (in the case of non-compliance by the Company) shall be entitled by written notice to the other:

7.6.1 to terminate this Deed (other than the Surviving Clauses) without liability on its part;

7.6.2 to effect Closing so far as reasonably practicable having regard to the defaults which have occurred; or

7.6.3 to fix a new date for Closing (being not more than ten Business Days after the agreed date for Closing) in which case the provisions of Clause 7.3 shall apply to Closing as so deferred but provided such deferral may only occur once.

7.7 Each of the Parties agrees and acknowledges that Closing is not conditional upon the completion of the Other Settlement Deeds.

8 Warranties

8.1 Each of GSL and the Company warrants to the other Parties that:

8.1.1 it is duly incorporated or organised and has the right, power and authority, and has taken all actions necessary, to execute, deliver and exercise its rights, and perform its obligations, under this Deed and each document to be executed by it at or before Closing;

8.1.2 its obligations under this Deed and each document to be executed by it at or before Closing are, or when the relevant document is executed will be, enforceable in accordance with their respective terms;

8.1.3 it is not in receivership or liquidation and it has not taken steps to enter into liquidation, no petition has been presented for its winding up and there are no grounds on which a petition or application could be based for the appointment of a receiver for any of its assets or business, or for its winding up; and

8.1.4 subject to the satisfaction of the Conditions, it has obtained all consents and approvals which are required for it to enter into and perform its obligations in accordance with this Deed and such consents and approvals are valid and in full force and effect.

8.2 The Seller warrants to the Company and GSL that:

8.2.1 the Seller's obligations under this Deed and each document to be executed by him/her at or before Closing are, or when the relevant document is executed will be, enforceable in accordance with their respective terms;

8.2.2 the Seller has not entered into bankruptcy, insolvency or similar proceedings;

8.2.3 subject to the satisfaction of the Conditions, the Seller has obtained all consents and approvals which are required for him/her to enter into and perform his/her obligations in accordance with this Deed and such consents and approvals are valid and in full force and effect;

8.2.4 subject to Clause 5, the Seller is the sole beneficial owner of the Sale Shares and holds such Sale Shares free and clear of any Encumbrance (save and except the Share Charge) and has the right to exercise all voting and other rights attaching to such Sale Shares (including the full power, right and authority to transfer the Sale Shares to the Company) (save and except any restrictions under the terms of the Share Charge);

8.2.5 other than pursuant to this Deed and under the Share Charge, no person has any agreement or option, or right or privilege (whether pre-emptive or contractual, actual or contingent) capable of becoming an agreement or option, for the purchase from the Seller of any Sale Shares or to require the transfer of any Sale Shares; and

8.2.6 subject to the satisfaction of the Conditions and the provisions of the Articles of Association and upon the Release taking effect in accordance with Clause 5, there will be no restriction on the transfer of the Sale Shares to the Company at Closing.

8.3 The Company warrants to the Seller that:

8.3.1 the Buy-back does not violate any existing agreements, order, decree, arbitral award or decision of a court or Laws applicable to the Company;

8.3.2 subject to the satisfaction of the Conditions and to the provisions of the Articles of Association, there will be no restriction on the acquisition of the Sale Shares by the Company at Closing; and

8.3.3 subject to the satisfaction of the Conditions, all regulatory requirements under Laws applicable to the Company with respect to the Buy-back have been, or will be, complied with at Closing.

8.4 Each warranty under this Clause 8 is separate and independent and is not limited by reference to any other warranty or any other provision in this Deed.

8.5 Each warranty under this Clause 8 is true and accurate in all material respects as of the date of this Deed and will be true and accurate in all material respects at Closing as if it had been repeated immediately prior to Closing.

9 Costs

9.1 Each Party shall pay its own fees, expenses and disbursements in relation to the negotiation, preparation, execution, performance and implementation of this Deed and each document referred to in it.

9.2 The Company shall pay and bear the full stamp duty and fixed duty on instruments, Stock Exchange trading fees, SFC transaction levies and Accounting and Financial Reporting Council transaction levies payable by the Company and the Seller on any transfer of Sale Shares (if any).

10 Notices

10.1 Any notice or other communication in connection with this Deed (each, a "**Notice**") shall be:

10.1.1 in writing; and

10.1.2 delivered by hand, e-mail, recorded or special delivery or courier using an internationally recognised courier company.

10.2 A Notice to the Seller shall be sent to him at the following address, or to such other person or address as the Seller may notify to each Party from time to time:

Address: [redacted]

Email: [redacted]

Attention: Lyu Guanghong

10.3 A Notice to GSL shall be sent to them at the following address, or to such other person or address as GSL may notify to each Party from time to time:

Address: Unit 7, 13/F., Tower One, Lippo Centre, No.89 Queensway, Hong Kong

Email: ir@dxsport.com.cn

Attention: The Company Secretary

10.4 A Notice to the Company shall be sent to it at the following address, or to such other person or address as the Company may notify to each Party from time to time:

Address: Building 21,No.2 Jingyuanbei Street, Beijing Economic-Technological Development Area Beijing, China

Email: ir@dxsport.com.cn

Attention: The Company Secretary

10.5 Subject to Clause 10.6, a Notice shall be effective upon receipt and shall be deemed to have been received:

10.5.1 at the time recorded by the delivery company, in the case of recorded delivery;

10.5.2 at the time of delivery, if delivered by hand or courier;

10.5.3 at the time of sending if sent by e-mail, provided that receipt shall not occur if the sender receives an automated message that the e-mail has not been delivered to the recipient.

10.6 A Notice that is deemed by Clause 10.5 to be received after 5.00 p.m. on any day, or on a Saturday, Sunday or public holiday in the place of receipt, shall be deemed to be received at 9.00 a.m. on the next day that is not a Saturday, Sunday or public holiday in the place of receipt.

10.7 For the purposes of this Clause 10, all references to time are to local time in the place of receipt. For the purposes of Notices by e-mail, the place of receipt is the place in which the Party to whom the Notice is sent has its postal address for the purpose of this Deed.

11 Miscellaneous

11.1 Whole agreement

11.1.1 This Deed contains the whole agreement between the Parties relating to the Buy-back, the Set-off, the Loan Waiver and the Release to the exclusion of any terms implied by Law which may be excluded by contract and supersedes any previous written or oral agreement between the Parties in relation to the Buy-back, the Set-off, the Loan Waiver and the Release.

11.1.2 Each of the Parties agrees and acknowledges that, in entering into this Deed, it is not relying on any representation, warranty or undertaking not expressly set out herein.

11.1.3 Each of the Parties agrees and acknowledges that its only right and remedy in relation to any representation, warranty or undertaking made or given in or in connection with this Deed shall be for breach of the terms of this Deed and each of the Parties waives all other rights and remedies (including rights and remedies to claim damages in tort or under statute or civil codes) in relation to any such representation, warranty or undertaking.

11.1.4 Nothing in this Clause 11.1 excludes or limits any liability for or remedy against fraud or wilful misconduct.

11.2 Variation

No variation of this Deed shall be effective unless in writing and signed by or on behalf of each of the Parties.

11.3 Assignment

Except as otherwise expressly provided by this Deed, neither the Seller, GSL nor the Company may, without the prior written consent of the other Parties, assign, grant any security interest over, hold on trust or otherwise transfer the benefit of the whole or any part of this Deed.

11.4 Counterparts

This Deed may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any Party may enter into this Deed by executing any such counterpart.

11.5 Invalidity

11.5.1 If any provision in this Deed shall be held to be illegal, invalid or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention of the Parties.

11.5.2 If and to the extent it is not possible to delete or modify the provision, in whole or in part, then such provision or part of it shall, if and to the extent that it is illegal, invalid or unenforceable, be deemed not to form part of this Deed and the legality, validity and enforceability of the remainder of this Deed shall, subject to any deletion or modification made under Clause 11.5.1, not be affected.

11.6 **Further assurances**

Each of the Parties shall, and shall use reasonable endeavours to procure that any necessary third party shall, from time to time execute such documents and perform such acts and things as any of them may reasonably require to (i) transfer the Sale Shares to the Company; (ii) give effect to the Set-off, the Loan Waiver and the Release; and (iii) give the other the full benefit of this Deed.

11.7 **Time**

11.7.1 Time is of the essence in this Deed in respect of any date, times or period determined under this Deed and as regards any date, time and period which may be substituted for them in accordance with this Deed or by agreement in writing between the Parties.

11.7.2 All references to dates and times in this Deed are to dates and times in Hong Kong.

11.8 **Third party rights**

Except as otherwise expressly stated in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any term of, or enjoy any benefit under, this Deed.

11.9 **Waiver**

The express or implied waiver by any Party of any of its rights or remedies arising under this Deed or by law shall not constitute a continuing waiver of the right or remedy waived or a waiver of any other right or remedy.

12 Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with Hong Kong Law. Each of the Parties irrevocably submits to the exclusive jurisdiction of the courts of Hong Kong.

Schedule 1

(1) Beneficial owner of the Sale Shares	(2) Number of Sale Shares	(3) Principal amount of the Advance	(4) Outstanding Balance as at the date of this Deed	(5) Consideration	(6) Outstanding amount of Retained Dividends as at the date of this Deed
吕光宏	10,000,000	12,150,000	11,266,256.00	2,850,000.00	226,550.97

IN WITNESS whereof this Deed has been duly executed by all Parties hereto the day and year first above written.

The Seller

SIGNED, SEALED and DELIVERED	)	L.S.
as a DEED by	)	
LYU GUANGHONG (吕光宏)	)	吕光宏
in the presence of:	)	

Signature of witness:

Name: Wai Pui Man

Title: Company Secretary

GSL

EXECUTED as a DEED
pursuant to sections 127 and 128 of the Companies Ordinance (Cap. 622) of the Laws of Hong Kong for and on behalf of
GAEA SPORTS LIMITED
by Chen Yihong **and**
Chen Chen **as directors**

in the presence of:

Director (Chen Yihong)

Director (Chen Chen)

Signature of witness:	
Name:	**Wai Pui Man**
Title:	**Company Secretary**

GSL

EXECUTED as a DEED)
pursuant to sections 127 and 128 of the)
Companies Ordinance (Cap. 622) of the)
Laws of Hong Kong for and on behalf of)
GAEA SPORTS LIMITED) Director (Chen Yihong)

by Chen Yihong and)
Chen Chen as directors)
) Director (Chen Chen)
in the presence of:)

Signature of witness:

Name: Wai Pui Man

Title: Company Secretary

The Company

EXECUTED as a DEED
for and on behalf of
CHINA DONGXIANG (GROUP) CO., LTD.

in the presence of:

Name: Chen Yihong
Title: Chairman of the Board and Executive Director

Signature of witness:

Name: **Wai Pui Man**

Title: **Company Secretary**