

Dated the 16th day of May, 2025

**LEE SENG HUI**  
as **Lender**

and

**WAH CHEONG DEVELOPMENT (B.V.I.) LIMITED**  
as **Borrower**

**LOAN AGREEMENT**

**P. C. Woo & Co.**  
12<sup>th</sup> Floor, Prince's Building  
10 Chater Road  
Hong Kong  
Ref.:147585:HL:CN:RWY

**THIS AGREEMENT** is made on the 16th day of May, 2025.

**BETWEEN:**

- (1) **LEE SENG HUI** (holder of Hong Kong Identity Card No. P626026(1) of 24<sup>th</sup> Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong (the “**Lender**”); and
- (2) **WAH CHEONG DEVELOPMENT (B.V.I.) LIMITED**, a company incorporated in the British Virgin Islands with limited liability (company no. 337705) whose registered office of which is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands; and having its correspondence address at 22<sup>nd</sup> Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong (the “**Borrower**”).

**IT IS HEREBY AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1** In this Agreement, unless the context otherwise requires:

“**Agreement**” means this loan agreement as originally executed or as it may from time to time be amended or supplemented;

“**Authorisations**” means:

- (a) any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, lodgement or registration from or with any governmental or other authority or from the board of directors, shareholders, creditors or any other person; or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law if any governmental or other authority 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 commencing from the date of this Agreement to the date falling twelve (12) Months from the date of this Agreement (both dates inclusive);

“**Business Day**” means a day (excluding Saturday) on which banks are generally open for business in Hong Kong;

“**BVI**” means the British Virgin Islands;

“**Companies Laws**” means, where applicable, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) or any equivalent statutory legislation in any applicable jurisdiction;

**“Drawdown”** means a drawdown of the Loan pursuant to Clause 3 hereof;

**“Drawdown Date”** means the date specified in the Drawdown Notice on which Drawdown is proposed to be made, or such later date as directed by the Lender, which should be a Business Day in either case;

**“Drawdown Notice”** means a notice (which shall be in the form substantially set out in Schedule 1) to be given by the Borrower to the Lender requesting Drawdown;

**“Encumbrance”** means

- (a) any mortgage, charge (whether fixed or floating), pledge, lien, rights of forfeiture, hypothecation, assignment, any security interest, security arrangement securing or conferring any right of priority of payment in respect of, any obligation of any person or security arrangement of any kind;
- (b) any arrangement whereby any rights are subordinated to any rights of any third party or any contractual rights of set-off; and
- (c) the interest of a vendor or lessor under any conditional sale agreement, lease, hire purchase agreement or other deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback arrangement whatsoever other than an interest in a lease or hire purchase agreement which arose in the ordinary course of business;

**“Event of Default”** means any event or circumstances described in Clause 10.1 hereof and **“prospective Event of Default”** means any event or circumstance which with the giving of notice and/or the passage of time and/or the making of any relevant determination and/or the forming of any necessary opinion would be an Event of Default;

**“Finance Document”** means any of this Agreement, the Drawdown Notice, and any other document designated as such by the Lender and the Borrower, and collectively known as **“Finance Documents”**;

**“Funding Purpose”** means the settlement of the consideration for the Borrower’s general offer to acquire the issued shares of Dragon Mining Limited listed on the main board of Stock Exchange (stock code: 1712) and the relevant transaction costs;

**“HIBOR”** means the applicable Screen Rate as of 11:15 a.m. Hong Kong time for Hong Kong Dollars on the first day of the relevant period of interest payment in respect of the Loan and, if any such rate is below zero, HIBOR will be deemed to be zero;

**“Hong Kong”** means the Hong Kong Special Administrative Region of the People’s Republic of China;

**“Hong Kong Dollar(s)”** and **“HK\$”** mean Hong Kong Dollar, the lawful currency of Hong Kong;

**“Indebtedness”** means the Outstanding Principal, all interest accrued on the Outstanding Principal and all present and future moneys, debts and liabilities due, owing or incurred by the Borrower to the Lender under or in connection with the Finance Documents;

**“Interest Payment Date”** means the last day of each Interest Period, being a date upon which interest is due and payable on the Outstanding Principal;

**“Interest Period”** means a period of one (1) Month and the first Interest Period shall commence on the Drawdown Date;

**“Interest Rate”** means a rate equivalent to HIBOR plus 0.8% per annum;

**“Loan”** means the loan of up to HK\$273,000,000 which the Lender has agreed to make available to the Borrower pursuant to the terms and conditions of this Agreement;

**“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) 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; and
- (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;
- (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 that calendar month in which that Interest Period is to end;

**“Outstanding Principal”** means the balance of the Loan that remains outstanding and owing to the Lender at any point of time;

**“Repayment Date”** means twelve (12) Months from the first Drawdown Date;

**“Screen Rate”** means the rate for the relevant period displayed on the website of The Hong Kong Association of Banks at <https://www.hkab.org.hk/DisplayInterestSettlementRatesAction.do/>; and if the said website or page is replaced or the service in respect of which ceases to be available, the Lender may specify another website, page or service displaying the appropriate rate after consultation with the Borrower;

**“SFO”** means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

**“Stock Exchange”** means The Stock Exchange of Hong Kong Limited;

**“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 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, and **“Subsidiaries”** shall be construed accordingly;

**“Taxes”** includes all present and future taxes, levies, imposts, duties, fees or charges of whatever nature (including restrictions or conditions resulting in a charge) imposed, levied, charged, assessed or collected by any national, federal or local taxing or other governmental authority, board, body or agency, together with interest thereon and penalties in respect thereof, and **“Taxation”** shall be construed accordingly; and

**“%”** means per cent.

1.2 Clause headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Agreement.

1.3 In this Agreement, unless the context otherwise requires:

1.3.1 references to Clauses and Schedule are to be construed as references to the clauses of and schedule to, this Agreement and references to this Agreement include its Schedule;

1.3.2 references to Clauses the contents of which rely on introductory provisions for their completeness shall include references to those introductory provisions;

1.3.3 references to (or to any specified provision of) this Agreement or any other document shall be construed as references to this Agreement, that document or that provision as in force for the time being and as amended in accordance with the terms thereof or, as the case may be, with the agreement of the relevant parties and (where such consent is by the terms of this Agreement or the relevant document required to be obtained as a condition to such amendment being permitted) the prior written consent of the Lender;

1.3.4 references to any ordinance, act, legislation or enactment shall be deemed to include references to such ordinance, act, legislation or enactment as amended, extended, re-enacted, consolidated or replaced and in force for the time being

and any orders, decrees, proclamations, regulations, instruments or other subordinate legislation made thereunder and in force for the time being;

- 1.3.5 the Lender shall have the right to reasonably decide on the materiality of any issue, matter or thing having regard to all information in the possession of or available to the Lender. Such determination by the Lender shall *prima facie* be conclusive;
- 1.3.6 words importing the plural shall include the singular and vice versa; and
- 1.3.7 words importing one gender shall be construed as including every gender and references to a person shall be construed as including references to an individual, company, corporation, firm, partnership, consortium, joint venture, association, organisation, unincorporated body of persons, trust or any government or state or any instrumentality, agency or political sub-division thereof or authority, board or body created or constituted thereby (in each case, whether or not having separate legal personality).

## **2. THE LOAN AND PURPOSE**

- 2.1 The Lender, relying upon each of the representations and warranties set out in Clause 8 hereof and each of the undertakings set out in Clause 9, agrees to make available to the Borrower the Loan upon the terms and subject to the conditions of this Agreement.
- 2.2 The Loan shall be applied and used by the Borrower for the Funding Purpose but shall not be used in any ways, except for uses in such ways connected with or ancillary to the Funding Purpose, to facilitate the acquisition of securities listed on any stock exchange and/or the continued holding of those securities, whether or not those or other securities are pledged as security for the Loan and/or applied in such ways so as to render the provision of the Loan by the Lender to the Borrower to be within the definition of “securities margin financing” under the SFO. The Lender is not obliged to monitor or verify how any amount advanced under the Loan is used by the Borrower.

## **3. DRAWDOWN**

- 3.1 The Borrower may make a Drawdown by delivering to the Lender the Drawdown Notice at least one (1) Business Day before the proposed Drawdown Date. The Drawdown Notice shall give (i) full details of the amount to be drawn, the name of the bank/broker, account holder, the account number or any other form of payment instruction, all of which must be acceptable to the Lender, to which the Loan is to be advanced and/or (ii) other drawdown instructions to the Lender. The Drawdown Notice shall be effective only on actual receipt by the Lender and is subject to the terms and conditions of this Agreement.
- 3.2 The Borrower may deliver one or more than one Drawdown Notice requesting Drawdown during the Availability Period in accordance with the terms of this

Agreement and provided that the aggregate amount of such Drawdowns shall not exceed HK\$273,000,000.

- 3.3 The Drawdown Notice once received by the Lender shall be irrevocable, the Lender and the Borrower shall be bound to effect the Drawdown in accordance with the Drawdown Notice.
- 3.4 If, notwithstanding the giving of the Drawdown Notice, a Drawdown is not made by the Borrower on the Drawdown Date for any reason (other than for the reason that the Lender exercises its discretion of not advancing the Loan), the Borrower shall be liable to pay the Lender on demand, all such amount as the Lender shall certify to be necessary to compensate the Lender for any direct or indirect loss or expense incurred or to be incurred by it as a consequence of the Drawdown not having been made in accordance with the Drawdown Notice or at all, including, without prejudice to the generality of the foregoing, loss of profit and any loss or expense incurred or to be incurred in liquidating funds obtained to make the Drawdown or in re-employing such funds at a rate or rates lower than the rate which would have been payable by the Borrower hereunder.

#### **4. REPAYMENT AND PREPAYMENT**

- 4.1 Without prejudice to any provision of this Agreement, the Borrower shall repay the Indebtedness (if not otherwise paid in accordance with Clause 5 below and without prejudice to any rights and remedies of the Lender) in full on the Repayment Date. Any payment or repayment by the Borrower pursuant or otherwise related to this Agreement shall be made in the same currency or currencies as the Loan was denominated and drawn by the Borrower save as otherwise agreed by the Lender in writing.
- 4.2 The Borrower shall, be entitled to make early repayment of the Outstanding Principal or any parts thereof together with all interest accrued thereon prior to the Repayment Date. Any sum repaid or prepaid by the Borrower herein will not be available for withdrawal again under this Agreement.
- 4.3 The Borrower's obligation to repay the Outstanding Principal, to pay interest thereon and to pay all other sums due under this Agreement shall be conclusively determined (in the absence of manifest error) by the accounts for the Loan maintained by the Lender.

#### **5. INTEREST**

- 5.1 The Borrower shall pay interest accrued on the Outstanding Principal at the Interest Rate in arrears on each Interest Payment Date and on the Repayment Date or until such other time when full repayment of the Outstanding Principal is made.
- 5.2 In the event that the Borrower makes early repayment pursuant to Clause 4.2, interest accrued on the Outstanding Principal or any parts thereof to be early repaid (as the case may be) at the Interest Rate which have not yet been paid in accordance with Clause 5.1 above shall be paid to the Lender on the date of actual repayment by the Borrower.

- 5.3 All interest and other payments of a monthly, annual or recurrent nature under this Agreement, if any, shall accrue from day to day and be calculated on the basis of actual days elapsed and each year comprising 365 days.
- 5.4 Without prejudice to any other remedy of the Lender, if the Borrower fails to pay any sum (whether of principal, interest or otherwise) payable under this Agreement when due, the Borrower shall pay interest on such sum from and including the due date to the date of actual payment (as well after as before judgment) at the rate equivalent to the Interest Rate. Interest under this Clause 5.4 accrues daily and is calculated on actual days elapsed and a year comprising 365 days and shall be payable by the Borrower to the Lender forthwith on demand.

## **6. FEES AND EXPENSES**

- 6.1 The Borrower shall pay to the Lender the legal fees and disbursements incurred by the Lender for the negotiation, preparation, execution and registration (where applicable) of the Finance Documents and any other related documents, which shall be deducted from the Loan advanced by the Lender to the Borrower on the Drawdown Date, but such fees deducted shall be deemed to be part of that Loan drawn by the Borrower.
- 6.2 The Borrower shall from time to time forthwith on demand pay to or reimburse the Lender for:
- (a) all stamp duties or similar duties imposed on any of the Finance Documents and any Encumbrance and shall on demand indemnify the Lender against any liability arising by reason of any delay or omission by the Borrower to pay any such duties and Taxes;
  - (b) all costs, charges and expenses (including legal and other fees on a full indemnity basis and all other out-of-pocket expenses) incurred by the Lender in connection with the registration of the Finance Documents, any other documents required in connection herewith and any amendment to or extension of, or the giving of any consent or waiver in connection with any of the Finance Documents; and
  - (c) all costs, charges and expenses (including legal and other fees on a full indemnity basis and all other out-of-pocket expenses) incurred by the Lender in exercising any of their rights or powers under the Finance Documents or in suing for or seeking to recover any sums due under the Finance Documents or otherwise preserving or enforcing their rights under the Finance Documents or in defending any claims brought against the Lender in respect of the Finance Documents or in releasing, re-assigning and discharging any of the Finance Documents upon payment of all monies thereby secured.

## **7. PAYMENTS, ACCOUNTS AND CALCULATIONS**

- 7.1 All payments to be made by the Borrower under any Finance Document to which it is a party shall be made in full, without any set-off, counterclaim, restriction or condition whatsoever and, free and clear of all Taxes, deduction or withholding.
- 7.1.1 If the Borrower is required by law or regulation to make any deduction or withholding (on account of tax or otherwise) from any payment to the Lender, the Borrower shall, together with such payment, pay such additional amount as will ensure that the Lender receives (free and clear of any Taxes or other deductions or withholdings) the full amount which it would have received if no such deduction or withholding had been required. The Borrower shall promptly forward to the Lender copies of official receipts or other evidence to the satisfaction of the Lender showing that the full amount of any such deduction or withholding has been paid over to the relevant Taxation or other authority.
- 7.1.2 If at any time the Borrower becomes aware that any such deduction, withholding or payment contemplated under this Clause 7.1 is or will be required, it shall immediately notify the Lender and supply all available details thereof.
- 7.2 When any payment under this Agreement would otherwise be due on a day which is not a Business Day, the next following Business Day shall be substituted for such day unless such next following Business Day falls in the next calendar month in which case the immediately preceding Business Day shall be substituted therefor (and any interest payable on the relevant day shall be calculated accordingly).
- 7.3 All interest and other payments of an annual or recurrent nature under this Agreement, if any, shall accrue from day to day and be calculated on the basis of actual days elapsed and each year comprising 365 days.
- 7.4 Any certificate or determination by the Lender as to any amount due and payable and/or owing to it under this Agreement (in the absence of manifest error) shall be conclusive and binding on the Borrower. Each certificate or determination as to any amount due and payable made by the Lender in accordance with this Clause 7.4 shall be promptly notified to the Borrower.
- 7.5 All payments by the Borrower under this Agreement shall be made to the Lender not later than 11:00 a.m. (Hong Kong time) on the relevant due date by delivery to the Lender of a banker's draft, cashier order or a cheque (as specified in this Agreement or at the choice of the Lender) or by way of bank remittance made payable to or to the order of the Lender drawn on a licensed bank in Hong Kong acceptable to the Lender in immediately available funds.

## **8. REPRESENTATIONS AND WARRANTIES**

### **8.1 The Borrower represents and warrants to the Lender that:-**

- 8.1.1 the Borrower is duly incorporated, in good standing (if applicable) and validly existing under the laws of its respective jurisdiction and has power to enter into legally binding agreements and own its property and assets and to carry on its business as such business(es) are now being conducted and has complied with all material legal requirements in relation to such business in Hong Kong, the BVI or elsewhere;
- 8.1.2 the Borrower has full power, authority and legal rights to enter into the transactions contemplated under the Finance Documents to which it is a party and perform its obligations thereunder and has taken and obtained all necessary Authorisations in relation to the execution, delivery and performance of Finance Documents to which it is a party;
- 8.1.3 the Finance Documents constitute valid and legally binding obligations on the Borrower and are enforceable in accordance with their terms in all relevant jurisdictions;
- 8.1.4 neither the execution and delivery of the Finance Documents nor the performance by the Borrower of its obligations or the exercise of any of rights under the Finance Documents will:
  - (a) contravene or be in conflict with or result in a breach of any law, enactment, rule, regulation, judgment, decree, order, permit, authorisation, agreement or obligation applicable to any of them or cause any limitation placed on them or the powers of their directors, where applicable, to be exceeded;
  - (b) contravene or conflict with the constitutional documents of the Borrower; or
  - (c) conflict with, or result in any breach of any of the terms of, or constitute a default under, any agreement or other instrument or document to which the Borrower is a party or is subject or by which they or any of their property or assets are bound;
- 8.1.5 all Authorisations required or desirable:
  - (a) for or in connection with the execution, delivery, legality, validity, priority and performance of the Finance Documents; and
  - (b) to make the Finance Documents admissible in evidence in its jurisdiction of incorporation,have been obtained or effected, and are in full force and effect and there has been no default under the conditions or restrictions of any of the same;

- 8.1.6 it is not necessary in order to ensure the validity, enforceability, priority or admissibility in evidence in proceedings of the Finance Documents or any other documents created thereunder in Hong Kong, the BVI or any other relevant jurisdiction that it or any other documents be filed or registered with any authority in Hong Kong, the BVI or elsewhere or that any tax be paid in respect thereof;
- 8.1.7 all Authorisations necessary for the conduct of the business, trade and ordinary activities of the Borrower have been obtained or effected and are in full force and effect;
- 8.1.8 no litigation, arbitration or administrative proceedings is currently taking place or pending or threatened against any of the Borrower or its respective assets or revenues which may have a material adverse effect on the financial condition of the Borrower and the ability of the Borrower to perform its obligations under the Finance Documents and/or any other documents in connection herewith, in particular, their respective ability to repay the Indebtedness or any part thereof;
- 8.1.9 the Borrower is not, nor would the Borrower be with the giving of notice or lapse of time or satisfaction of any other condition, in default under any law, regulation, judgment, order, authorisation, agreement or obligation applicable to it or its assets or revenues, the consequences of which default could materially and adversely affect its business or financial condition or its ability to perform its obligations under the Finance Documents (if any) and/or any other documents in connection herewith to which it is a party;
- 8.1.10 no Event of Default or prospective Event of Default has occurred or is continuing or would result from the making of Drawdown;
- 8.1.11 it is not required under the law applicable where the Borrower is incorporated, established, formed or resident or at its/his address specified in the Finance Documents to make any deduction for or on account of Taxes from any payment it may make under the Finance Documents to which it is a party;
- 8.1.12 the choice of Hong Kong law as the governing law of the Finance Documents (as the case may be) will be recognised and enforced in Hong Kong and the place of incorporation of the Borrower;
- 8.1.13 any judgment obtained in Hong Kong in relation to the Finance Documents will be recognised and enforced in the place of incorporation of the Borrower;
- 8.1.14 the Borrower is generally subject to civil and commercial law and to legal proceedings and neither the Borrower nor any of its respective assets or revenues are entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process;

- 8.1.15 submission by the Borrower to the non-exclusive jurisdiction of the Hong Kong courts pursuant to the Finance Documents are valid and binding;
- 8.1.16 the documentation and information supplied to the Lender by or on behalf of the Borrower in connection with the negotiation and the preparation of the Finance Documents were and are true and accurate in all material respects and do not contain any misstatement of fact or omit any material fact and in the case of documentation, the copies of documents supplied are true and complete and the Borrower are not aware of any facts which has not been disclosed in writing to the Lender which might have material effect on any information and/or documentation or which might affect the willingness of the Lender to lend upon the terms of this Agreement;
- 8.1.17 the financial condition of the Borrower and its respective Subsidiaries (where appropriate) has suffered no material deterioration since last disclosed to the Lender;
- 8.1.18 the Loan shall be applied and used by the Borrower for the purpose stated in Clause 2.2 above but shall not be used in any ways, except for uses in such ways connected with or ancillary to the Funding Purpose, to facilitate the acquisition of securities listed on any stock exchange and/or the continued holding of those securities, whether or not those or other securities are pledged as security for the Loan and/or applied in such ways so as to render the provision of the Loan by the Lender to the Borrower to be within the definition of “securities margin financing” under the SFO;
- 8.1.19 the payment obligations of the Borrower under the Finance Document 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; and
- 8.1.20 the Borrower has not resolved or agreed to issue or granted any shares or securities, or share options, warrants, convertible bonds, other rights or securities to acquire shares or other securities (whether convertible into shares or not) of the shares or equity interest of the Borrower.
- 8.2 The representations and warranties set out in Clause 8.1 above shall be deemed to be repeated by the Borrower on and as of each day from the date of this Agreement and as if made with reference to the facts and circumstances existing on each such day until all the Indebtedness have been repaid in full.

## **9. UNDERTAKINGS AND COVENANTS**

- 9.1 The Borrower covenants and undertakes with the Lender, throughout the continuance of this Agreement and until full and final repayment of the Indebtedness, the Borrower shall,

- 9.1.1 perform and observe all covenants and obligations imposed upon them by the Finance Documents to which they are a party and to do all other acts and things which may from time to time be necessary or desirable for the continued due performance of the Borrower's obligations pursuant to the Finance Documents and do all other acts which may be required for the validity and/or full enforceability of the Finance Documents;
- 9.1.2 use and to procure the use of the Loan solely for the purposes as stated in Clause 2.2 hereof;
- 9.1.3 keep proper records and books of account in respect of the business of the Borrower;
- 9.1.4 maintain the valid corporate existence of the Borrower;
- 9.1.5 maintain in force and procure the maintenance in force of all Authorisations referred to in Clause 8.1.5 hereof, and take immediate steps to obtain and thereafter maintain in full force and effect any other Authorisations which may become necessary or advisable for the purposes stated therein and to comply with all conditions attached to all authorisation obtained;
- 9.1.6 procure that there is no change of the shareholdings in or ownership or equity interest or control (direct or indirect) of the Borrower without the prior written consent of the Lender;
- 9.1.7 ensure and procure that there is no change of the composition of the board of directors of the Borrower except with the prior written consent of the Lender;
- 9.1.8 ensure and procure that no amendment or supplement is made to the memorandum or articles of association or equivalent constitutional documents of the Borrower without the prior written consent of the Lender;
- 9.1.9 conduct its respective businesses in a proper and efficient manner and in compliance with all laws, regulations, Authorisation, agreements and obligations applicable in any relevant jurisdiction;
- 9.1.10 file or cause to be filed all tax returns required to be filed in Hong Kong, the BVI or other places in which they are situated or carries on business or otherwise is subject to Taxation and pay all Taxes shown to be due and payable on such returns or any assessments made against them, except to the extent these are contested in good faith and by appropriate means where such payment may be lawfully withheld and for which adequate reserves have been established by it taking into account the amount of Taxes payable;
- 9.1.11 ensure and procure that its payment obligations under this Agreement shall at all times rank at least *pari passu* with all of its other present and future liabilities, and other unsecured and unsubordinated obligations with the exception of any obligations which are mandatorily preferred by or in the event

of any bankruptcy, insolvency under the law applicable to companies generally in Hong Kong or the BVI and not by contract;

9.1.12 promptly inform the Lender of:

- (a) the occurrence of any Event of Default or prospective Event of Default;
- (b) any litigation, arbitration or administrative proceedings as referred to in Clause 8.1.8 hereof; and
- (c) any occurrence which might adversely affect the ability of the Borrower to perform its respective obligations pursuant to this Agreement; and
- (d) any occurrence which might adversely affect the financial or other condition of the Borrower; and
- (e) any occurrence which might affect the legality, validity and enforceability of any of the Finance Documents;

9.1.13 comply with all applicable laws, rules, regulations and Authorizations in any relevant jurisdiction (including but not limited to the Companies Laws and SFO); and

9.1.14 supply to the Lender promptly upon request such financial or other information or record (including but not limited to the monthly management accounts, cashflow statements, profit and loss projections) relating to the Borrower as the Lender may from time to time request.

9.2 The Borrower covenants and undertakes with the Lender, throughout the continuance of this Agreement and until full and final repayment of the Indebtedness, the Borrower and its Subsidiaries (where appropriate) SHALL NOT without the prior written consent of the Lender:-

9.2.1 merge or consolidate with any other entity or take any step with a view to dissolution, liquidation or winding-up;

9.2.2 purchase or redeem any of its issued shares or equity interests or reduce its share capital or make a distribution of assets or other capital distribution to its shareholders or make a repayment in respect of any loans or other indebtedness owing to any of its shareholders;

9.2.3 establish or acquire any Subsidiary or invest in any other entity or assume, guarantee or endorse, or otherwise become or remain liable for any obligation or any other person or provide financing to any person except by way of trade credit in the ordinary and normal course of this business;

9.2.4 materially change the nature of its business;

- 9.2.5 enter into any agreement or obligation which might materially and adversely affect its financial or other condition;
- 9.2.6 enter into any credit facility, trust deed, debenture, facility agreement, loan agreement, factoring agreement, guarantee, indemnity or other agreement relating to borrowing (which expression shall include liabilities in respect of all acceptances and discounted instruments and under all debentures, mortgages, charges or other security, all unpaid rental, present or future, under all hire purchase, instalment credit, leasing and similar agreements, the purchase price for all acquisitions payment of which is deferred for three months or more, and all contingent liabilities under all debt purchase and factoring agreements in the event of non-payment of any debt) or any agreement for payment on deferred terms, whether oral or written, or allow the Borrower to incur any new borrowings;
- 9.2.7 save as otherwise provided in this Agreement, where applicable, change its authorised share capital or registered capital or sell, transfer or dispose of any shares or equity interest held by it;
- 9.2.8 convey, assign, transfer, sell or otherwise dispose of any of its assets, business, revenues, undertakings and/or properties or rights, whether present or future, unless for full consideration of not more than HK\$10,000,000 and on arm's length basis of the disposing entity;
- 9.2.9 convey, assign, transfer, sell or otherwise dispose of, or mortgage, charge, pledge, use as a lien, create or allow any other parties to create any Encumbrance on any shares in the Borrower;
- 9.2.10 mortgage, charge, pledge, use as a lien, create or allow any other parties to create any Encumbrance on all or any part of the property, assets, undertakings or revenue of the Borrower;
- 9.2.11 make any representation inconsistent with the Borrower's liability to repay the entire Indebtedness to the Lender; or
- 9.2.12 make any false or misleading representation (whether by acts or omissions) in relation to this Agreement.

## **10. EVENTS OF DEFAULT**

### **10.1 There shall be an event of default if:**

- 10.1.1 the Borrower fails to pay the Indebtedness or any part thereof payable by him under this Agreement at the time and in the currency and manner as stipulated hereunder or thereunder; or
- 10.1.2 any other event occurs or circumstance arises which, in the Lender's opinion, is likely to materially and adversely affect the ability of any of the Borrower to

perform any of its obligations or otherwise to comply with any of the terms of the Finance Documents (if any).

- 10.2 The Lender may, without prejudice to any of its other rights or any power or remedy available to it, promptly after the happening of any Event of Default by notice to the Borrower declare that:-

10.2.1 the Lender's obligation to make the Loan available shall terminate, whereupon such obligation shall terminate forthwith and the Borrower shall not be entitled to borrow the Loan; and/or

10.2.2 the Indebtedness and all other sums payable under this Agreement have become due and payable, whereupon the same shall, immediately or in accordance with the terms of such notice, become due and payable.

- 10.3 The Lender's determination as to whether or not any Event of Default has occurred shall be conclusive and binding on the Borrower.

## **11. UNLAWFULNESS**

- 11.1 If any law, enactment, regulation or regulatory requirement or any judgment, order or direction of any court, tribunal or authority binding upon the Lender renders it unlawful for the Lender to advance the Loan or to maintain or fund the Loan, the Lender shall promptly inform the Borrower, the Lender's obligation to make the Loan available shall forthwith terminate and the Borrower shall not be entitled to borrow the Loan. The Lender shall give notice to the Borrower requiring the Borrower to repay the Indebtedness forthwith or on a future specified date, not being earlier than the latest date permitted by such law, enactment, regulation, regulatory requirement, judgment, order or direction, and the Borrower shall repay the Loan in accordance with and subject to the terms of such notice and the provisions of Clause 11.2 below.

- 11.2 When the Indebtedness is repaid pursuant to this Clause 11 the Borrower shall, at the time of such repayment, pay to the Lender all other sums payable by the Borrower to the Lender pursuant to this Agreement, including, without limitation, any amounts payable under Clause 11.1 above.

- 11.3 Notwithstanding any discharge, release or settlement from time to time between the Lender and the Borrower, if any security, disposition or payment granted or made to the Lender or any obligation performed in respect of the Indebtedness by the Borrower or any other person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced or become unlawful or invalid by virtue of any provision, law or enactment relating to bankruptcy, insolvency, liquidation, winding-up, composition or arrangement for the time being in force or for any other reason, the Lender shall be entitled to request the payment of any part of the Indebtedness as if no such discharge, release or settlement had occurred.

## **12. ASSIGNMENT**

- 12.1 This Agreement shall be binding upon, and enure for the benefit of, the Lender and the Borrower.
- 12.2 Neither the Borrower nor the Lender shall assign or transfer any of its rights or obligations under any Finance Documents to which it/he is a party or other documents in relation to the Loan.

### **13. NOTICES**

- 13.1 Any notice or other communication to be given or made pursuant to this Agreement shall be in writing and may be made by personal delivery, prepaid letter, facsimile and shall be deemed to have been duly served, if delivered personally, at the time of delivery, if sent by prepaid letter, 48 hours after posting if sent domestically and seven (7) days after posting if sent by international air mail, if sent by facsimile, at the time of sending provided that an appropriate answer back code has been received.
- 13.2 Each notice or other communication to be given or made under this Agreement shall be delivered or sent to the relevant party at their addresses or fax numbers set out below (or such other address or fax number as the addressee has by five (5) days' prior written notice specified to the other party):-

#### The Lender

##### **LEE SENG HUI**

24<sup>th</sup> Floor, Allied Kajima Building  
138 Gloucester Road, Wanchai, Hong Kong  
Fax: (852) 2598 0419

#### The Borrower

##### **WAH CHEONG DEVELOPMENT (B.V.I.) LIMITED**

22<sup>nd</sup> Floor, Allied Kajima Building  
138 Gloucester Road, Wanchai, Hong Kong  
Attn.: Mr. Yang Ying Man  
Fax: (852) 2598 0419

- 13.3 Each party shall notify the others of changes of its address for service from time to time but shall always provide an address for service within Hong Kong.

### **14. LAW AND JURISDICTION**

This Agreement is governed by and shall be construed in accordance with Hong Kong law and the parties hereto hereby irrevocably submit to the non-exclusive jurisdiction of the Hong Kong courts.

**15. WAIVER**

No failure or delay on the part of the Lender to exercise any power, right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise by the Lender of any power, right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy, nor shall the giving by the Lender of any consent to any act or thing which by the terms of this Agreement requires such consent prejudice its right to withhold or give consent to the doing of any other similar act or thing. The rights and remedies provided in this Agreement are cumulative and are not exclusive of any rights or remedies provided by law.

**16. CONFLICT AND INCONSISTENCY**

In the event of any conflict or inconsistency between any of the terms of this Agreement and any of the terms of any of the documents executed or to be executed in accordance with the provisions of this Agreement, the terms of this Agreement shall prevail.

**17. INVALID PROVISIONS**

If any provision of this Agreement or its application to any circumstances shall, to any extent, be invalid, illegal or unenforceable at any time under the applicable law of any jurisdiction, the remaining part of this Agreement and the application of that provision to other circumstances shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

**18. COUNTERPARTS**

This Agreement may be executed in counterparts and by different parties on separate counterparts which when taken together shall be deemed to constitute one agreement.

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

**Schedule 1**  
**DRAWDOWN NOTICE**

To : LEE SENG HUI  
24th Floor, Allied Kajima Building,  
138 Gloucester Road, Wanchai, Hong Kong

Date:

Dear Sirs,

Re: Loan Agreement dated the 16th day of May, 2025 (the “**Loan Agreement**”)  
Lender: LEE SENG HUI  
Borrower: WAH CHEONG DEVELOPMENT (B.V.I.) LIMITED  
Loan Amount: HK\$273,000,000

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We refer to the captioned Loan Agreement. Terms defined in the Loan Agreement have the same meanings in this notice.

Pursuant to Clause 3 of the Loan Agreement, we hereby give you notice of drawdown of the Loan as follows:

Name of Bank:	
Bank code:	
Bank address:	
SWIFT Code:	
Account Name:	
Account Number:	
Account Address:	
Amount:	
Proposed Drawdown Date:	

We hereby authorise you to deduct the legal fees and disbursements pursuant to Clause 6.1 of the Loan Agreement from the amount of Drawdown.

We confirm that the matters represented and warranted and/or set out in the Loan Agreement are true and accurate on the date hereof as if made today and that no Event of Default or prospective Event of Default as defined in the Loan Agreement has occurred or is continuing or would result from the proposed borrowing.

Yours faithfully,  
For and on behalf of  
Wah Cheong Development (B.V.I.) Limited

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Mr. Yang Ying Man  
Director

## Lau Tung Ni