

SHARE PURCHASE AGREEMENT

BETWEEN

**WONG ALBERT KA WAH  
(AS PURCHASER)**

and

**QUALI-SMART HOLDINGS LIMITED  
(AS SELLER)**

IN RELATION TO

THE ENTIRE ISSUED SHARE CAPITAL IN

**CAM WEALTH MANAGEMENT COMPANY LIMITED  
( FORMERLY "CROSBY ASSET MANAGEMENT (HONG KONG) LIMITED")  
(AS THE "COMPANY")**

**IMPORTANT NOTE REGARDING REDACTION**

**Notice of Redacted Information:** Please take notice that certain information contained in this document has been redacted. Specifically, the Hong Kong identity card number and the private residential address of Mr. Wong Albert Ka Wah have been redacted from this copy. The reason for such redaction is to protect the personal privacy of the individual in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

**Confirmation of Adequacy:** The remaining information is considered adequate by Quali-Smart Holdings Limited (the "Company") and its directors for the purpose of disclosing the nature and significance of the document, and for the Company to fulfil its relevant disclosure obligations under the Codes on Takeovers and Mergers and Share Buy-backs.

## SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made on 15 day of October, 2025

BETWEEN:

- (1) **WONG ALBERT KA WAH**, holder of Hong Kong Identity Card No. [REDACTED], whose correspondence address is at [REDACTED], [REDACTED] ("Purchaser"); and
- (2) **QUALI-SMART HOLDINGS LIMITED**, a company incorporated under the laws of the Cayman Islands with company no. 267044 and its registered office address at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, K1-1111, Cayman Islands ("Seller").

In this Agreement:

The Purchaser and the Seller shall be collectively referred to as the "Parties", and each a "Party".

WHEREAS:

- (A) The Company (as defined below) has total issued shares divided into 10,007 Ordinary Shares (as defined below), all of which have been fully paid up. The corporate details of the Company are set out in Part A of Schedule 1.
- (B) Licensed Corporation (as defined below) is a wholly-owned subsidiary of the Quali-Smart Holdings Limited, and is licensed by the Hong Kong Securities and Futures Commission ("SFC") under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") to carry on Type 4 regulated activities (advising on securities) and Type 9 regulated activities (asset management) ("Business").
- (C) The Seller is the legal and beneficial owner of the Sale Shares (as defined below). The Seller is desirous to sell to the Purchaser, and the Purchaser are desirous to purchase from the Seller, the Sale Shares on the terms and subject to the conditions of this Agreement ("Share Sale").
- (D) The Share Sale contemplates the following transfers of Shares (as defined below):
  - (i) the transfer by the Seller to the Purchaser which represent 100% of the entire issued share capital of the Company;
- (E) This Agreement is entered into between the Parties for the purpose of recording the terms and conditions of the Share Sale.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Defined Terms

In this Agreement, unless the context otherwise requires:

**"Accounts Date"** means 30 September 2025.

**"Affiliate(s)"** means:

- (a) with respect to any individual, (i) his spouse or any child or parent or sibling of the individual or of his spouse or any other relative of such individual (together, his "family"); (ii) the nominees of, and the trustees, acting in their capacity as such, of any trust of which he or any of his family is a beneficiary or, in the case of a discretionary trust, is a discretionary object (together, "relevant trustees"); and (iii) any entity which he and / or his family and / or relevant trustees taken together Control, in each case from time to time; and
- (b) with respect to an entity, any person that, directly or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such entity.

**"Anti-Bribery Laws"** means all anti-bribery and anti-corruption Laws applicable to a person and its operations, directly or indirectly, including any Laws that prohibit corrupt making, giving, offer, promise, or authorisation of payment or transfer of anything of value (including gifts and entertainment), directly or indirectly, to any person to obtain any undue business advantage, including without limitation the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong).

**"Anti-Money Laundering Laws"** means all Laws relating to money laundering and terrorism financing which are applicable to a person directly or indirectly, including without limitation the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong).

**"Applicable Accounting Standards"** means generally accepted accounting principles which are applicable to the Company, applied on a consistent basis for all periods.

**"Audited Accounts"** means the audited entity level financial statements of the Company for the financial year ended 31 March 2025 and the audited entity level financial statements of the Licensed Corporation for the financial year ended 31 March 2025, copies of which have been delivered to the Purchaser on or before the date of this Agreement.

**"Authority(ies)"** means any competent governmental, administrative, supervisory, regulatory, judicial, determinative, disciplinary, enforcement or Tax raising or

assessing body, public authority, agency, board, department, court or tribunal of any relevant jurisdiction.

**"Books and Records"** means all constitutional documents, corporate, Tax, statutory and other notices, correspondences, filings, registrations and returns, registers, statutory books, minute books, certificates, consents, permits, ledgers, correspondence, orders, inquiries, drawings, plans, data, books of account and other books and records kept or required to be kept by the Company.

**"Business"** has the meaning specified in Recital (B).

**"Business Day"** means a day on which banks in Hong Kong are open to the general public for business (other than a Saturday, Sunday or public holiday in Hong Kong or any day on which a tropical typhoon warning no. 8 or above or a "black rainstorm warning signal" is hoisted or remains hoisted in Hong Kong at any time between 9 a.m. and 5 p.m.).

**"Closing"** means the completion of the Share Sale pursuant to Clause 6.

**"Closing Date"** means such date as the Parties may agree in writing after approval by the Securities & Futures Commission, and if Closing is deferred in accordance with Clauses 4.6(b), 4.7(b) or 6.5(b), the term shall mean the date of Closing so deferred.

**"Company"** means Crosby Asset Management (Hong Kong) Limited, a company incorporated under the laws of Hong Kong with business registration no. 10922957 and its registered office address at Unit C4, 19/F TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong, the corporate details of which are set out in Part A of Schedule 1.

**"Computer Equipment"** means the computer equipment if any presently installed or located at the premises of the Company or used in the ordinary course of business of the Company, including all associated hardware and software, ancillary and communication equipment connected to it or located at the premises and capable of connection to it and all operating systems software comprised in such equipment and ancillary and communication equipment.

**"Condition(s) Precedent"** has the meaning specified in Clause 4.1.

**"Consideration"** has the meaning specified in Clause 3.1.

**"Contract"** means any contract, agreement, instrument, transaction, obligation, offer, commitment, understanding, arrangement or liability, written or oral, to which the Company is a party or by which it or any of its properties or assets may be bound or affected.

**"Contribution"** has the meaning specified in Schedule 2.

"Contribution Scheme" has the meaning specified in Schedule 2.

"Control" means, in respect of a person:

- (a) the power (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) to appoint and / or remove all or such of the members of the board of directors or other governing body of the person as are able to cast a majority of the votes capable of being cast by the members of that board or body on all, or substantially all, matters, or otherwise to control or have the power to control the policies and affairs of that person; and / or
- (b) the holding and / or the possession of the beneficial interest in and / or the ability to exercise the voting rights applicable to shares or other securities in any person which confer in aggregate on the holders thereof more than 50% of the total voting rights exercisable at general meetings of that person on all, or substantially all, matters,

and the terms "Controlled by" and "under common Control" shall be construed accordingly.

"Disclosed" means fully, fairly and accurately disclosed by the Seller to the Purchaser in a formal disclosure letter. For the avoidance of doubt, matters revealed in the Due Diligence would only be deemed Disclosed if they are specifically set out in the formal disclosure letter.

"Due Diligence" means legal, financial, commercial, Taxation, human resources and other due diligence (including without limitation online and on-site investigations) conducted or to be conducted by the Purchaser and their representatives, agents and advisors before or after the date of this Agreement and before Closing against the Company and its business, assets, liabilities and any other matters which the Purchaser reasonably consider necessary for them to appraise the business and value of the Company.

"Encumbrance" means any claim, charge, mortgage, lien, option, equity, power of sale, hypothecation, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing.

"ESOP Scheme" means any employee share incentive plan, employee share option plan or any other similar plan, scheme or arrangement which may confer on any current or former employee, director or officer of the Company any right or option to own or purchase any shareholding or equity interest in the Company or entitlement to any right or benefit attaching to such shareholding or equity interest, or any profit sharing or similar arrangements with any current or former employee, director or officer.

"HK\$" means the lawful currency of Hong Kong.

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

**"Indemnified Parties"** has the meaning specified in Clause 9.1.

**"Intellectual Property"** means:

- (a) all intellectual property, including patents, utility models, trade or service marks, trade names, business names, domain names, e-mail address names, right in designs or inventions, copyrights, database rights, moral rights, topography rights, know-how and trade secrets;
- (b) rights under licences, consents, orders, statutes or otherwise in relation to a right in (a) above; and
- (c) rights of the same or similar effect or nature as or to those in (b) and (c) above,

in each case, whether or not registered or registrable and including registrations and applications for registration of any of these and rights to apply for the same and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these in any part of the world.

**"Intellectual Property Rights"** means all Intellectual Property used or required to be used, by the Company in, or in connection with, the Business.

**"Interested Party"** has the meaning specified in Schedule 2.

**"Interested Party Transaction"** has the meaning specified in Schedule 2.

**"Law(s)"** means any applicable law, rule or regulation, any order, judgement, decree, notice, requirement or directive of any Authority and any other rule or principle having legal force.

**"Leases"** means the respective leases, rental agreements, tenancy agreements, licences or concessions under which the Properties are held, occupied or used.

**"Licensed Corporation"** means Crosby Asset Management (Hong Kong) Limited, a company incorporated under the laws of the Hong Kong with business registration no. 10922957 and its registered office address at C4, 19/F, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong, the corporate details of which are set out in Part B of Schedule 1.

**"Long-stop Date"** means 31 December 2025 or such date as the Parties may agree in writing.

**"Losses"** means losses, damages, indebtedness, liabilities, costs (including legal costs), expenses, fines and penalties.

**"Management Accounts"** means the (a) unaudited entity level balance sheets and unaudited entity level income statements of the Company, and (b) unaudited pro forma consolidated balance sheets and unaudited pro forma consolidated income statements of the Company, for the financial year ended 31 March 2025 and for the 5-month period ended 31 August 2025 , copies of which have been delivered to the Purchaser on or before the date of this Agreement.

**"Ordinary Shares"** means the ordinary shares in the share capital of the Company.

**"Proceeding"** means any claim, dispute, litigation, arbitration, proceeding, suit or action arising out of or in connection with this Agreement.

**"Properties"** means properties rented, leased, occupied or otherwise used by a Company as at the date of this Agreement.

**"Relief"** includes any relief, allowance, government subsidies, set-off or deduction (including for the avoidance of doubt Tax losses available for set-off) in computing profits or credit or right to repayment of Taxation granted by or pursuant to any Laws concerning or otherwise relating to Taxation and, without prejudice to the generality of the foregoing, includes any benefit, Tax credit, reduced rate of Tax or withholding Tax, or exemption from Tax available to the Company under any double taxation agreement or double taxation treaty.

**"Remaining RO"** has the meaning specified in Clause 4.1(i).

**"Rulings"** has the meaning specified in Schedule 2.

**"Sale Shares"** means between the Purchaser and the Seller, 10,007 Ordinary Shares currently held by the Seller, which represent 100% of the entire issued share capital of the Company.

**"SFC"** has the meaning specified in Recital (B).

**"SFO"** has the meaning specified in Recital (B).

**"Share Sale"** has the meaning specified in Recital (C).

**"Shares"** means the shares in the share capital of the Company.

**"Surviving Provisions"** means Clauses 9, 10, 12 and 13.

**"Tax"** or **"Taxation"** means:

- (a) any form of tax, levy, duty, impost, tariff, contribution, customs and other import duties, liability, and charge in the nature of taxation and all related

withholdings or deductions thereof, wherever and whenever payable whether by withholding or otherwise and shall further include any amount payable as a consequence of any claim, direction, order or determination of any Tax Authority; and

- (b) all fines, penalties, charges, costs and interest included in or relating to any of the above or to any obligation in respect of any of the above, including such fines, penalties, charges, costs and any interest thereon arising from or in connection with any act or omission inconsistent with the tax administration requirements of any Authority.

**"Tax Authority"** means any person or Authority entitled to enforce or collect Tax in any jurisdiction, including without limitation the Hong Kong Inland Revenue Department and the Hong Kong Customs and Excise Department.

**"Warranties"** means the representations and warranties set out in Schedule 2, and **"Warranty"** shall mean any one of them.

### 1.2 Construction of References

In this Agreement, unless the context requires otherwise, any reference:

- (a) to a Clause or Schedule is a reference to a Clause of or a Schedule to this Agreement;
- (b) to this Agreement, any other document or any provision of this Agreement or that document is a reference to this Agreement, that document or that provision as in force for the time being or from time to time amended in accordance with the terms of this Agreement or that document;
- (c) to a person includes an individual, a body corporate, a partnership, any other unincorporated body or association of persons and any state or state agency;
- (d) to a time of day is a reference to the time in Hong Kong, unless expressly indicated otherwise;
- (e) to an enactment includes that enactment as it may be amended, replaced or re-enacted at any time, whether before or after the date of this Agreement, and any subordinate legislation made under it;
- (f) to an "agreement" includes any document or deed, an arrangement and any other kind of commitment; and
- (g) to a "right" includes a power, a remedy and discretion.

### 1.3 Interpretation

In this Agreement, unless the context otherwise requires:

- (a) words importing the plural include the singular and vice versa;
- (b) words importing a gender include every gender; and
- (c) the words "other", "including" and "in particular" do not limit the generality of any preceding words and are not to be construed as being limited to the same class as the preceding words where a wider construction is possible.

#### 1.4 **Headings**

The headings in this Agreement are for reference only and do not affect its interpretation.

#### 1.5 **Schedules**

The Schedules to this Agreement form an integral part of this Agreement, and any reference to a paragraph is a reference to the paragraph of the relevant Schedule.

### **2. SHARE SALE**

- 2.1 Subject to the terms and conditions of this Agreement (including without limitation the fulfilment and / or waiver of Conditions Precedent), the Seller agrees to sell, and the Purchaser agrees to purchase, the Sale Shares, at the Consideration.
- 2.2 All the Sale Shares shall be sold by the Seller to the Purchaser free from Encumbrances and together with all rights and benefits attaching to them as at Closing (including without limitation the right to receive all dividends or distributions declared, made or paid on or after Closing).
- 2.3 Closing of the Share Sale shall take place in accordance with Clause 6.

### **3. CONSIDERATION**

- 3.1 The consideration for the Sale Shares to be paid by the Purchaser to the Seller shall be ("Consideration") HK\$238,000.
- 3.2 The Purchaser may designate any other person or entity to pay the Consideration to the Seller on his behalf, and the due payment of the Consideration to respective Seller by such other person or entity shall constitute the full fulfilment of that Purchaser's payment obligations in respect of the Consideration towards the Seller. The Seller upon producing written authorization (purportedly executed by the Seller) may designate any other person or entity to receive the Consideration from the Purchaser or their designated entities and the Purchaser shall act and pay in accordance with the Seller which can produce the said authorization.

#### 4. CONDITIONS PRECEDENT TO SHARE SALE

4.1 Closing of the Share Sale is conditional upon fulfilment (or waiver) of all of the following conditions ("Conditions Precedent", and each a "Condition Precedent") by the Closing Date:

- (a) The Selling having obtained all necessary authorisations, consents and approvals for entering into this Agreement and performing the transactions contemplated hereunder (if any), and the consummation of the transactions contemplated hereunder not causing any breach of any restrictions or covenants binding on the Seller.
- (b) The Purchaser having obtained all necessary authorisations, consents and approvals for entering into this Agreement and performing the transactions contemplated hereunder (if any), and the consummation of the transactions contemplated hereunder not causing any breach of any restrictions or covenants binding on such Purchaser, in particular approval from the SFC for the Purchaser to before the sole shareholder of the Company.
- (c) All necessary directors' and shareholders' resolutions and consents and other corporate approvals in connection with the Share Sale and the other transactions contemplated hereunder having been obtained by the Company.
- (d) The Company has obtained all necessary third-party authorisations, consents and approvals and made all necessary third-party notifications for the transactions contemplated hereunder on terms reasonably satisfactory to the Purchaser, and such authorisations, consents and approvals not having been revoked, and satisfactory documentary proof thereof having been provided to the Purchaser.
- (e) The Company remaining as the sole legal and beneficial owner of all the issued shares in the Licensed Corporation.
- (f) The Licensed Corporation remaining to be licensed by the SFC under the SFO to carry on Type 4 regulated activities (advising on securities) and Type 9 regulated activities (asset management), and the Company not having received any notice of or been subject to any inquiry, investigation, audit, review, claim or challenge which may in any way affect the licensing status of the Licensed Corporation as such.
- (g) The Licensed Corporation not being subject to any licensing conditions imposed by the SFC except the following:
  - (i) the Licensed Corporation may only provide services relating to Type 9 regulated activities (asset management) to professional investors (as defined in Part 1 of Schedule 1 to the SFO); and
  - (ii) the Licensed Corporation shall not hold client assets.

- (h) The Licensed Corporation can terminate the lease(s) for its current office address(es) with effective date not earlier than fourteen (14) days after the Closing Date without having to bear any penalties or liabilities and satisfactory documentary proof thereof having been provided to the Seller.
- (i) The Licensed Corporation having terminated all fund management contracts and other business relationships with its customers, and satisfactory documentary proof thereof having been provided to the Purchaser.
- (j) The Licensed Corporation having to maintain a positive cash balance to satisfy the Financial Resources Rules requirement under the SFO in its bank accounts, and satisfactory documentary proof thereof having been provided to the Purchaser.
- (k) Except for such obligations or liabilities approved by the Purchaser in writing, the Company having no other outstanding or unfulfilled obligations or liabilities (including without limitation internal and external guarantees), and satisfactory documentary proof thereof having been provided to the Purchaser.
- (l) The Purchaser having conducted Due Diligence against the Company, and being satisfied with the results thereof.
- (m) The Company being in full compliance with all Laws, including without limitation the statutory requirement for the Licensed Corporation to keep all customer and transaction records since its incorporation.
- (n) There having been no breach, and no circumstances having arisen that may reasonably be expected to lead to a breach of the Warranties or any other provisions under this Agreement by the Seller in any material respect, and each of the Warranties remaining true, accurate, and not misleading in all material respects.
- (o) There having been no material adverse change in the business, operations, assets, position (financial, trading or otherwise), profits or prospects of the Company since the date of this Agreement.

4.2 The Purchaser, acting collectively, may in their absolute discretion waive any Condition Precedent (except Clause 4.1(b)) either in whole or in part at any time by notice in writing to the Seller.

4.3 The Seller may in its absolute discretion waive the Condition Precedent in Clause 4.1(b) either in whole or in part at any time by notice in writing to the Purchaser.

4.4 The Seller shall use its best endeavours to procure the satisfaction of all Conditions Precedent (except Clause 4.1(b)) on or before the Closing Date. If at any time the Seller becomes aware of a fact or circumstance that might prevent a Condition

Precedent (except Clause 4.1(b)) from being satisfied, it shall immediately inform the Purchaser in writing.

- 4.5 The Purchaser shall use their best endeavours to procure the satisfaction of the Condition Precedent set out in Clause 4.1(b) on or before the Closing Date. If at any time any Purchaser becomes aware of a fact or circumstance that might prevent the Condition Precedent set out in Clause 4.1(b) from being satisfied, he shall immediately inform the Seller in writing.
- 4.6 If any Condition Precedent set out in Clause 4.1 (except Clause 4.1(b)) has not been satisfied (or waived by the Purchaser in writing) by the Closing Date, the Purchaser acting collectively shall be entitled, at their option and without prejudice to any other rights or remedies available to them, by written notice to the Seller:
  - (a) to waive the Conditions Precedent which have not been satisfied;
  - (b) to fix a new Closing Date (being not more than twenty (20) Business Days after the initial Closing Date) in which case the provisions of this Clause shall apply to the Closing Date as so deferred but provided such deferral may only occur once; or
  - (c) to terminate this Agreement without liability on their part (in which case Clause 11 shall apply).
- 4.7 If the Condition Precedent set out in Clause 4.1(b) has not been satisfied (or waived by the Seller in writing) by the Closing Date, the Seller shall be entitled, at its option and without prejudice to any other rights or remedies available to it, by written notice to the Purchaser:
  - (a) to waive such Condition Precedent;
  - (b) to fix a new Closing Date (being not more than twenty (20) Business Days after the initial Closing Date) in which case the provisions of this Clause shall apply to the Closing Date as so deferred but provided such deferral may only occur once; or
  - (c) to terminate this Agreement without liability on its part (in which case Clause 11 shall apply).
- 4.8 If any Condition Precedent (except Clause 4.1(b)) is not fulfilled or waived by the Long-stop Date, the Purchaser may by written notice to the Seller terminate this Agreement with immediate effect in which case Clause 11 shall apply.

## 5. PRE-CLOSING

### Pre-Closing Undertakings

In the period between the date of this Agreement and the Closing Date, except as

required or permitted under this Agreement or specifically consented to by the Purchaser in writing, the Seller undertakes to procure and ensure that the Company:

(a) shall:

- (i) provide the Purchaser and their representatives, agents and advisors access to all personnel, relevant documents, Books and Records, and information reasonably requested by the Purchaser and their representatives, agents and advisors in connection with the Due Diligence;
- (ii) carry on its ongoing business, operations and other affairs, and refrain from doing anything not, in its ordinary and usual course or in the same manner (including nature, practices and scope) as in the past;
- (iii) subject to Clause 4.1(k), use its commercially reasonable endeavours to maintain its relations with existing suppliers, contractors, customers, clients, material stakeholders, business relations and the Authorities (including without limitation the SFC);
- (iv) act at all times in a manner consistent with the provisions of this Agreement;
- (v) comply with all applicable Laws and the terms of all Contracts to which it is a party or by which it is bound in all material respects;
- (vi) as promptly as possible notify the Purchaser of any action, claim or any event which adversely affects the Company, which may occur, be threatened, brought, asserted or commenced against it, its employees, directors or officers, involving its business or assets;
- (vii) procure the fulfilment, satisfaction or extinguishment of all its outstanding or unfulfilled obligations or liabilities (save for such obligations or liabilities as approved by the Purchaser in writing); and
- (viii) (for the Licensed Corporation only) maintain at Closing a positive cash balance to satisfy the Financial Resources Rules requirement under the SFO in its bank account(s).

(b) without prejudice to the generality of Clause 5(a), shall not undertake nor agree to undertake (conditionally or unconditionally) any of the activities listed in Schedule 3 from the date of this Agreement to Closing unless (i) with the prior written consent of the Purchaser; (ii) otherwise contemplated in this Agreement; or (iii) as required under applicable Laws.

## 6. CLOSING OF SHARE SALE

### 6.1 Simultaneous Closing

The closing of the sale and purchase of all Sale Shares between the Purchaser and the Seller shall take place simultaneously. Otherwise, the Purchaser shall not be obliged to complete the purchase, and the Seller shall not be obliged to complete the sale, of the Sale Shares.

### 6.2 Date and Place

Closing shall take place on the Closing Date at such place and at such time as the Parties may agree in writing. In the absence of an agreement between the Parties, Closing shall take place at 3 pm Hong Kong time on the Closing Date at the office of the solicitors (if any) appointed by the parties.

### 6.3 The Seller's Obligations

At Closing, and against the fulfilment of the Purchaser' obligations under Clause 6.4, the Seller shall:

- (a) deliver to each Purchaser one (1) original counterpart of the Instrument of Transfer in respect of the sale of the Sale Shares to such Purchaser, duly executed by each Seller;
- (b) deliver to Purchaser the certified true copies of the resolutions of the board of directors of the Company to approve (i) the transfer of the Sale Shares by the Seller to the Purchaser and all related formalities (including without limitation, the updating of the statutory registers, the issuance of the new share certificates and the cancellation of the old share certificates), and (ii) the appointment of the persons designated by Purchaser as directors, company secretaries, bank signatories or other officers of the Company (if any), and to acknowledge (iii) the resignation of the persons specified by Purchaser (if any) from directorship and other positions of office of the Company;
- (c) in respect of the Company, deliver to Purchaser (or such other person or entity designated by Purchaser) all the official and company seals, stamps and chops, cheque books, Contracts to which the Company is a party, bank tokens and other documents and devices used to access the bank accounts of the Company, books of account including without limitation all audited accounts and management accounts (all complete and duly written up to the Closing Date), copies of all Tax returns filed and related correspondence (if any), all current insurance policies, and all of its other Books and Records (all complete and duly written up to the Closing Date);
- (d) deliver to Purchaser the originals of the license(s) / certificate(s) issued by the SFC to the Licensed Corporation for carrying on Type 4 regulated activities (advising on securities) and Type 9 regulated activities (asset

management) and all other correspondence between the Company and the SFC;

- (e) deliver to Purchaser one (1) original written confirmation issued by the Seller in favour of the Purchaser that all Conditions Precedent (except the Condition Precedent in Clause 4.1(b)) have been fulfilled or waived by the Purchaser, in a form agreed by Purchaser; and
- (f) deliver to Purchaser original resignation letters of persons specified by Purchaser (if any) from directorship and other positions of office of the Company, in a form agreed by Purchaser.

#### 6.4 The Purchaser' Obligations

At Closing, and against the fulfilment of the Seller' obligations under Clause 6.3:

- (a) the Purchaser shall procure the payment of the Consideration for the Sale Shares he purchases to the Seller by wire transfer of immediately available funds, to such bank account(s) as the Seller shall have designated in writing at least two (2) Business Days before the Closing Date; and
- (b) the Purchaser shall deliver to the Seller one (1) original counterpart of the Instrument of Transfer in respect of the purchase of the Sale Shares he purchases, duly executed by such Purchaser.

#### 6.5 Effects of Non-Compliance with Closing Obligations

If the Purchaser on one part, or the Seller on the other part, fails to comply with any of their / its respective obligations in Clauses 6.3 or 6.4, the Purchaser (acting collectively), in the case of non-compliance by the Seller, or the Seller, in the case of non-compliance by any Purchaser, shall be entitled (in addition to and without prejudice to all other rights or remedies available, including the right to claim damages) by written notice to the other elect to:

- (a) proceed to Closing in so far as reasonably practicable;
- (b) fix a new Closing Date (being not more than twenty (20) Business Days after the initial Closing Date) in which case the provisions of this Clause shall apply to the Closing Date as so deferred but provided such deferral may only occur once; or
- (c) terminate this Agreement without liability on their / its part (in which case Clause 11 shall apply).

#### 7. POST-CLOSING UNDERTAKINGS

After Closing, the Seller shall, and shall procure the Company to, execute all such documents and do all such acts and things as the Purchaser may reasonably require

for the purpose of giving effect to changes of the Company (including without limitation filings in respect of the appointment and removal of directors, bank signatories and other officers).

## 8. WARRANTIES

- 8.1 The Seller represents and warrants to the Purchaser that, save as Disclosed, each Warranty is true, accurate and not misleading on the date of this Agreement and will continue to be so on each day up to and including the Closing Date with reference to the facts and circumstances subsisting from time to time and any reference made to the date of this Agreement (whether express or implied) in relation to any Warranty will be construed in relation to any such repetition as a reference to each such day.
- 8.2 The Seller acknowledges and accepts that the Purchaser are entering into this Agreement in reliance upon each of the Warranties and that the Warranties have been given as a representation and with the intention of inducing the Purchaser to enter into this Agreement, notwithstanding any investigations which the Purchaser, their representatives, agents or advisors may have made (including without limitation the Due Diligence).
- 8.3 Each Warranty is to be treated as a separate representation and warranty. The interpretation of any statement made may not be restricted by reference to or inference from any other statement.
- 8.4 The Warranties are not extinguished or affected by any imputed or constructive knowledge on the part of the Purchaser, their representatives, agents or advisors and no such knowledge will prejudice any claim based on a Warranty being untrue, inaccurate or misleading or operate so as to reduce any amount recoverable.
- 8.5 Without prejudice to the right of the Purchaser to claim on any other basis or take advantage of any other remedies available to them, if any Warranty is breached or proved to be untrue, inaccurate or misleading, the Seller undertakes to the Purchaser, at the Purchaser' option, either:
  - (a) to pay to the Purchaser (or any other person or entity designated by the Purchaser) on demand an amount equal to the amount by which the amount of any liability (whether existing, prospective or contingent) or the value of any asset (whether existing, prospective or contingent) of the Company is respectively greater or less than it would have been if the Warranty had been true, accurate and not misleading or not breached with a capped value of HK\$238,000; or
  - (b) to pay to the Purchaser (or any other person or entity designated by the Purchaser) on demand an amount equal to the amount by which the value of the Sale Shares is less than it would have been if such Warranty had been true, accurate and not misleading or not breached with a capped value of HK\$238,000.

8.6 Between the date of this Agreement and the Closing Date, the Seller shall notify the Purchaser in writing immediately if it becomes aware of any fact or circumstance which constitutes or which would or might constitute a breach (whether repudiatory in nature or not) of this Clause 8, or which would or might cause a Warranty to be untrue, inaccurate or misleading in any material respect if given in respect of the facts or circumstances as at Closing.

8.7 If, at any time after the date of this Agreement and before Closing, the Purchaser reasonably consider that the Seller is in breach of any provision of this Agreement or that a Warranty is untrue, inaccurate or misleading in any material respect, the Purchaser may elect to terminate this Agreement with immediate effect by issuing a written notice to the Seller, in which case Clause 11 shall apply.

## 9. INDEMNITIES

9.1 The Seller shall indemnify and hold harmless in full and on demand the Purchaser and the Company and their respective directors, employees and officers (“**Indemnified Parties**”) with a capped value of HK\$238,000 from and against (i) any and all third party claims (whether or not successful, compromised or settled) which may be instituted, made, threatened, alleged, asserted or established in any jurisdiction against or otherwise involving the Indemnified Parties arising directly or indirectly from; and (ii) any and all Losses suffered or incurred by the Indemnified Parties arising directly or indirectly from:

- (a) any breach by the Seller of this Agreement;
- (b) any Warranty being untrue, inaccurate or misleading in any material respect;
- (c) the failure of the Company to comply with the applicable Laws that occurs on or before Closing, including without limitation any non-compliance by the Company with any governmental filing, notification or registration requirements, or any inconsistency, inaccuracy or false or misleading information in such filings, notifications or registration documents that occurs on or before Closing; and
- (d) any Proceedings in which any Purchaser claims that the Seller is liable under this Agreement and in which judgment is given for such Purchaser, and the enforcement of any such judgment or settlement in respect of the Proceedings.

## 10. SET-OFF

The Purchaser shall be entitled to set-off any claim (with a capped value of HK\$238000) against the Seller against, or otherwise withhold the payment of, any amount payable by the Purchaser to the Seller under or pursuant to this Agreement, irrespective of whether the claim of the Purchaser against the Seller has arisen under or in connection with this Agreement.

## 11. TERMINATION

If this Agreement is terminated in accordance with Clauses 4.6(c), 4.7(c), 4.8, 6.5(c) or 8.7, then all rights and obligations of the Parties will cease immediately upon termination except that:

- (a) termination will not affect the then accrued rights and obligations of the Parties (including the right to damages for the breach, if any, giving rise to the termination and any other pre-termination breach by any of the Parties); and
- (b) termination will be without prejudice to the continued application of the Surviving Provisions, which will remain in full force and effect.

## 12. CONFIDENTIALITY

### 12.1 Confidential Information

- (a) Subject to Clause 12.1(c), the Seller shall treat as confidential and not disclose or use (other than for performance of this Agreement) any information which relates to:
  - (i) the existence of, and the provisions in, this Agreement;
  - (ii) the negotiations relating to this Agreement;
  - (iii) the business, financial or other affairs of the Purchaser; or
  - (iv) with effect from the Closing Date, the business, financial or other affairs of the Company.
- (b) Subject to Clauses 12.1(c) and 12.2, the Purchaser shall treat as confidential and not disclose or use (other than for performance of this Agreement) any information which relates to:
  - (i) the existence of, and the provisions in, this Agreement;
  - (ii) the negotiations relating to this Agreement;
  - (iii) the business, financial or other affairs of the Seller; or
  - (iv) unless and until Closing takes place, the business, financial or other affairs of the Company.
- (c) Neither Clause 12.1(a) nor 12.1(b) shall prohibit disclosure or use of any information by any Party if and to the extent:
  - (i) the prior written approval of the other relevant Party(ies) has been obtained (such approval not to be unreasonably withheld or delayed)

and which approval may be given either generally or in a specific case or cases and may be subject to conditions;

- (ii) disclosure is reasonably necessary for the performance of that Party's obligations under this Agreement in which case the other relevant Party(ies) shall be informed of such disclosure and the disclosing Party shall procure that such disclosure is limited to the extent of such necessity;
- (iii) the information has entered into the public domain but not because of a breach or default by that Party;
- (iv) disclosure is to that Party's legal advisors, accountants or professional advisors and that Party has informed the recipient of the restrictions on disclosure contained in this Clause 12 and that Party will be responsible for any breach of the provisions of this Clause 12 by or caused by, the recipient; or
- (v) disclosure is required by Law to which the relevant Party is subject provided that the Party required to make it has to the extent practicable first consulted and taken into account the reasonable requirements of the other relevant Party(ies).

## 12.2 Announcements

Subject to Clause 12.1(c), no announcement in connection with the existence or the subject matter of this Agreement shall be made or issued by or on behalf of any Party without the prior written approval of the other Parties, save that after Closing the Purchaser shall have the right to make announcements in relation to the Share Sale.

## 12.3 Remedies

The Parties acknowledge that damages may not be an adequate remedy for a breach of the obligations under this Clause 12, and agree that a Party is entitled to an injunction to prevent a breach or a continued breach.

## 12.4 Continuing Effect of Restrictions

The restrictions contained in this Clause 12 will apply before and after Closing and will continue to bind the Parties even if this Agreement is terminated.

# 13. OTHERS

## 13.1 Entire Agreement

This Agreement (together with any documents referred to herein) embodies all the terms and conditions agreed upon between the Parties as to the subject matter of this Agreement and supersedes and cancels in all respects all previous agreements

and undertakings, if any, between the Parties with respect to the subject matter hereof, whether such be written or oral.

### **13.2 Continuing Effect of Agreement**

- (a) All provisions of this Agreement shall not, so far as they have not been performed at Closing, be in any respect extinguished or affected by Closing or by any other event or matter whatsoever and shall continue in full force and effect so far as they are capable of being performed or observed.
- (b) All Surviving Provisions shall remain binding on the Parties after Closing and after termination of this Agreement.

### **13.3 No Third Party Rights**

This Agreement is made solely for the benefit of the Parties and shall not create or give any rights to or purport to confer any benefits on any third parties whatsoever. The application of the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) and / or any comparable Law in any jurisdiction giving to or conferring on third parties the right to enforce any term of this Agreement is expressly excluded and no terms of this Agreement are, or intended to be, enforceable by any person not being a party to it. The rights of the Parties to terminate, rescind, or agree any amendment, waiver, variation or settlement under or relating to this Agreement, or any term of this Agreement, are not subject to the consent of any third party.

### **13.4 Successors and Assigns**

This Agreement shall be binding on and shall ensure for the benefit of each of the Parties' permitted successors and assigns. Any reference in this Agreement to any of the Parties shall be construed accordingly. None of the Parties shall be entitled to assign or otherwise transfer any of its rights or obligations under this Agreement to any other person unless with the prior written consent of the other Parties.

### **13.5 Time of Essence**

Any time, date or period mentioned in any provision of this Agreement may be extended by mutual agreement between the Parties in accordance with this Agreement or by agreement in writing but as regards any time, date or period originally fixed or any time, date or period so extended as aforesaid, time shall be of the essence.

### **13.6 Further Assurance**

At any time after the date of this Agreement, each Party shall, and shall use its reasonable endeavours to procure that any necessary third party shall, execute such documents and do such acts and things as the other Parties may reasonably require for the purpose of giving to the other Parties the full benefit of all the provisions of this Agreement.

### **13.7 Remedies**

Unless otherwise specified in this Agreement, no remedy conferred by any of the provisions of this Agreement is intended to be exclusive of any other remedy which is otherwise available at Law, in equity, by statute or otherwise, and each and every other remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at Law, in equity, by statute or otherwise. The election of any one or more of such remedies by any Party shall not constitute a waiver by such Party of the right to pursue any other available remedies. Further, no failure to exercise, nor any delay in exercising, on the part of any Party, any right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy.

### **13.8 Costs and Expenses**

Unless otherwise specified in this Agreement, each Party shall bear its own legal, professional and other costs and expenses incurred by it in connection with the negotiation, preparation, completion or performance of this Agreement.

### **13.9 Variation**

No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of each Party.

### **13.10 Severability of Provisions**

If any provision of this Agreement is held to be illegal, invalid or unenforceable in whole or in part in any jurisdiction, this Agreement shall, as to such jurisdiction, continue to be valid as to its other provisions and the remainder of the affected provision. The legality, validity and enforceability of such provision in any other jurisdiction shall be unaffected.

### **13.11 Counterparts**

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any Party may enter into this Agreement by executing any such counterpart (which may include counterparts delivered by facsimile and / or electronic transmission) and each counterpart shall be as valid and effectual as if executed as an original.

### **13.12 Governing Law and Jurisdiction**

- (a) This Agreement shall be governed by and construed in accordance with the Laws of Hong Kong.

(b) All disputes arising out of or in connection with this Agreement, including disputes regarding its conclusion, validity, binding effect, amendment, breach, termination or rescission, shall be subject to the exclusive jurisdiction of the Hong Kong courts.

### 13.13 Communications

(a) All notices, demands or other communications required or permitted to be given or made hereunder shall be in writing and delivered by hand, by courier or prepaid registered post with recorded delivery or by email addressed to the intended recipient thereof at its address or email address, and marked for the attention of such person (if any), designated by it to the other Parties for the purposes of this Agreement or to such other address or email address, and marked for the attention of such other person, as a Party may from time to time duly notify the other Parties in writing. The initial address, email address and person (if any) so designated by the Parties are set out below:

**Purchaser**

Address :

[REDACTED]

Email : albert@albertwong.co

**Seller 1**

Address : Workshop C, 19/F, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong

Email : eric.poon@quali-smart.com.hk

(b) Any notice, demand or communication so served by hand, courier, post or email shall be deemed to have been duly given:

- (i) in the case of delivery by hand when left at the relevant address or in the case of delivery by courier, three (3) Business Days after dispatching it;
- (ii) in the case of post, on the second (2<sup>nd</sup>) Business Day after the date of posting (if sent by local mail) and on the seventh (7<sup>th</sup>) Business Day after the date of posting (if sent by air mail); and
- (iii) if sent by email, at the time of transmission provided that no delivery failure notification is received,

provided that in each case where delivery occurs on a day which is not a Business Day or after 6 p.m. on a Business Day, service shall be deemed to occur at 9 a.m. on the next following Business Day.

- (c) References to time in this Clause are to local time at the place of the addressee.

Schedule 1

**Particulars of Company**

**Part A - The Company**

<b>Company Name:</b>	CAM Wealth Management Company Limited 建富財富管理有限公司 (Formerly "Crosby Asset Management (Hong Kong) Limited" 高誠資產管理 (香港) 有限公司)
<b>Business registration Number:</b>	10922957
<b>Type of Company:</b>	Company Limited by Shares
<b>Place of Incorporation:</b>	Hong Kong
<b>Date of Incorporation:</b>	14 March 1996
<b>Issued Share Capital (as of the date of this Agreement and as of Closing Date):</b>	10,007 shares with a par value of HK\$1.00 each
<b>Shareholders (as of the date of this Agreement and as of Closing Date):</b>	Quali-Smart Holdings Limited
<b>Directors:</b>	WONG Albert Ka Wah POON Pak Ki Eric TANG Yuen Ching Irene
<b>Registered Office:</b>	Unit C4, 19/F TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong

## Schedule 2

### **Warranties**

#### **1. SELLER'S CAPACITY**

- (a) The Seller is the sole legal and beneficial owner and holder of the Sale Shares and they are entitled to sell and transfer and will at Closing sell and transfer the full legal and beneficial ownership of the Sale Shares to the Purchaser free from all Encumbrances, with all rights relating to the Sale Shares and otherwise in accordance with the terms of this Agreement as at Closing.
- (b) The Seller has the power to enter into, perform and deliver, and has taken all necessary actions to authorise the entry into, performance and delivery of, this Agreement and the transactions contemplated hereunder.
- (c) The obligations expressed to be assumed by the Seller in this Agreement are legal, valid, binding and enforceable obligations, all in accordance with the terms of this Agreement.
- (d) The entry into and performance by the Seller of, and the transactions contemplated by, this Agreement do not and will not conflict with:
  - (i) any applicable Laws; or
  - (ii) any agreement, instrument, restriction or prohibition binding upon the Seller or any of its assets.
- (e) All consents, approvals and waivers required to enable the Seller to lawfully enter into, perform and comply with its obligations under this Agreement have been obtained or effected and are in full force and effect, and all necessary notifications as may be required have been made.
- (f) The Seller is able to pay its debts as they fall due, and no step has been taken or legal proceedings has been started or threatened against it in relation to bankruptcy or its inability to pay debts.

#### **2. DUE INCORPORATION AND AUTHORITY OF THE COMPANY**

- (a) The Company is a limited liability company or corporation, duly incorporated and established and validly existing under the Laws of its jurisdiction of incorporation or establishment.
- (b) The Company has the power to perform, and has taken all necessary actions to authorise the performance of, the transactions contemplated hereunder.

- (c) The transactions contemplated by this Agreement do not and will not conflict with:
  - (i) any applicable Laws;
  - (ii) the constitutional documents of the Company; or
  - (iii) any agreement or instrument binding upon the Company or any of its assets.
- (d) All consents, approvals and waivers required by the Company for the transactions contemplated hereunder will have been obtained or effected and will remain in full force and effect, and all necessary notifications as may be required will have been made as at Closing.

### **3. SALE SHARES AND INTEREST IN THE COMPANY**

- (a) All of the Sale Shares and shares of the Company have been validly and properly allotted and issued and are fully paid up or credited as fully paid up.
- (b) The shares in or in the capital of and equity interests in the Company are legally and beneficially owned and held by such person in the numbers and percentages and to such extent as set out in Schedule 1 free from all Encumbrances, all of which have been duly authorised, validly and properly allotted and issued and are fully paid up or credited as such. There is no agreement or commitment to give or create any of such Encumbrances. No claim has been made by any person to be entitled to any of such Encumbrances.
- (c) The Company is the sole legal and beneficial owner and holder of the entire issued share capital of the Licensed Corporation.
- (d) Other than the Company's interest in the Licensed Corporation, the Company have no shares, share capital, equity or other securities or interest in any other company, partnership, firm or other business, undertaking, proprietorship, entity or person.
- (e) There is no agreement or commitment outstanding which calls for the transfer, allotment or issue of, or accords to any person the right to call for the transfer, allotment or issue of, any shares, share capital, equity interests, loan capital or debentures in the Company (including any option or right of pre-emption or conversion). No claim has been made by any person to be entitled to any such agreement or commitment.

(f) There is no trust, nominee or custodian or similar arrangement affecting or relating to shares, share capital or equity interests or assets in or of the Company.

**4. ACCURACY AND ADEQUACY OF INFORMATION**

(a) The copies of the constitutional documents of the Company provided to the Purchaser during Due Diligence are complete and accurate, have attached to them copies of all documents required by Law to be so attached and fully set out the rights and restrictions attaching to each class, if any, of the shares, share capital or equity interests of the Company or granted by the Company to a shareholder or member.

(b) All the financial statements, accounts, books, ledgers and financial and other Books and Records of the Company have been properly kept in accordance with Law and normal business practice and are in the possession of the Company or under its control and all transactions relating to its business have been duly and correctly recorded therein and they are sufficient to give a true and accurate view of the Company's financial position and performance and legal affairs and to explain its transactions.

(c) The statutory and other registers, records and books of the Company have been properly kept and contain (in respect of matters up to Closing) an accurate and complete record of the matters which should be dealt with or recorded in those books by Law or otherwise and contain no inaccuracies or discrepancies. No notice or allegation or other communication that any of them is incorrect or contains discrepancy or should be rectified has been received.

(d) All information in this Agreement (including the Recitals and the Schedules) and all other information and documents in respect of the Seller and / or the Company supplied by or on behalf of the Seller and / or the Company to the Purchaser, their representatives, agents and advisors (whether in the course of the Due Diligence or otherwise) is true, accurate, and not misleading.

**5. COMPLIANCE WITH LEGAL REQUIREMENTS**

(a) Compliance is being and has been made with any and all applicable legal, regulatory, accounting and procedural requirements and other formalities in connection with the Company concerning:

(i) its constitutional documents (including all resolutions and company policies passed or purported to have been passed);

(ii) the filing, notification, lodgement or registration of all documents required by the applicable company Laws or other relevant legislations to be filed, notified, lodged or registered with or to the relevant

registrar of companies or other equivalent regulatory or supervisory bodies or other Authorities;

- (iii) issue of shares, share capital, equity interests, loan capital, debentures or other securities;
- (iv) declaration and payment of interest and dividends and the making of other distributions;
- (v) directors and other officers; and
- (vi) its business, operations and affairs as now being and have been conducted or carried on.

(b) The Company is empowered, has full rights, and is duly qualified to carry on its business in such countries or regions in which it operates as currently and as currently proposed or contemplated to be conducted. No Authority is challenging or questioning the legal right, power or capacity of the Company to conduct its business, operations or other affairs.

(c) There has been no breach by the Company (or by any of their respective officers or employees (in their capacity as such)) or by the Seller of any Laws affecting the Company or its business (including without limitation Anti-Bribery Laws and Anti-Money Laundering Laws).

(d) The Company have not been in, and have not received any claim or notice of or been subject to any inquiry, investigation, audit, review or challenge as to any breach or potential breach of any Law of any jurisdiction in which they operate.

(e) None of the Seller, the Company or the officers of the Company is currently subject to or the target of any trade, economic or financial sanctions, and the Seller, the Company and their officers are not involved in any action, investigation or proceeding by or before any Authority with respect to any of such sanctions which is pending, threatened or contemplated.

(f) None of the Seller, the Company or the officers of the Company has engaged, or is now engaged, directly or indirectly through an agent or other intermediary, in transactions connected with or for the benefit of any persons sanctioned by the international community or has otherwise violated such sanctions.

## 6. ACCOUNTS, ASSETS AND LIABILITIES

(a) The Audited Accounts:

- (i) comply with the requirements of all applicable Laws;

- (ii) were prepared on the same basis and in accordance with the same accounting policies, principles, bases and methods consistently applied in the audited financial statements of the Company prepared in the three (3) preceding years and in accordance with the Applicable Accounting Standards;
- (iii) are complete, accurate and not misleading in all respects;
- (iv) make full and proper provision for all established or actual liabilities and all deferred or contingent liabilities (whether liquidated or unliquidated) at the stated reference date, including deferred or contingent Taxation where appropriate;
- (v) give a true and fair view of the Company' state of affairs and financial position, results, cash flows and changes in shareholders' equity for the stated financial period; and
- (vi) are not affected by any unusual or non-recurring items which are not disclosed as such therein.

(b) Without limitation to paragraph (a), full and proper provision has been made in the Audited Accounts:

- (i) for depreciation, amortisation and / or impairment of assets (whether tangible or intangible);
- (ii) for any foreseeable liabilities in relation to the disposal of any assets or the cessation or diminution of any part of the business of the Company;
- (iii) for bad or doubtful debts of trade receivables;
- (iv) for slow moving and obsolete inventory;
- (v) for all and any compensation, severance or long service payments or payments in respect of loss of office, wrongful, unfair or other dismissal, redundancy or termination or cessation of employment or otherwise, in each case, including accrued entitlements for which the Company is or may be liable;
- (vi) for any exposures (including contingent exposures) relating to supplier or customer discount arrangements;
- (vii) in respect of all claims, disputes, litigation, arbitration, proceedings, suits and actions;

- (viii) in respect of all claims and returns;
- (ix) for bonuses payable;
- (x) in respect of all customer rebates; and
- (xi) in respect of all payments to related parties.

(c) The Management Accounts:

- (i) were prepared on the same basis and in accordance with the same accounting policies, principles, bases and methods consistently applied in the Audited Accounts and in accordance with the Applicable Accounting Standards;
- (ii) are complete, accurate and not misleading in all material respects;
- (iii) show all liabilities and Taxation of the Company, and make full and proper provision for all established or actual liabilities and all deferred or contingent liabilities (whether liquidated or unliquidated) at the stated reference date, including deferred or contingent Taxation where appropriate;
- (iv) were prepared in good faith, with due care and attention and fully and accurately give a fair and not misleading view of the state of affairs and financial position of the Company for the financial period to which the Management Accounts relate and of the Company' financial performance and results for the financial period ended on such date; and
- (v) are not affected by any unusual or non-recurring items which are not disclosed in the Management Accounts.

(d) The Company has no outstanding liability for Taxation of any kind which has not been provided for or is not provided for in the Audited Accounts and / or the Management Accounts.

(e) The Company has no capital commitment and are not engaged in any scheme or project requiring the expenditure of capital.

(f) The Company legally and beneficially owns and has good and valid title to and full rights and powers to use or exploit, free from Encumbrances, all undertakings, properties, rights and assets owned and / or used (or held for use) in their business or otherwise shown or comprised in the Audited Accounts and / or the Management Accounts and all such undertakings, properties and assets are in their possession or under their control.

- (g) All assets included in the Audited Accounts and / or Management Accounts or acquired by the Company since the Accounts Date:
  - (i) are, where capable of possession, in the possession or under the control of the Company; and
  - (ii) are not the subject of any factoring arrangement, conditional sale or credit agreement.
- (h) The Company does not carry on or operate any business, hold any assets or bear any liabilities which are not related to or within the scope of the Business.

## 7. EVENTS SINCE THE ACCOUNTS DATE

Since the Accounts Date, and unless otherwise provided for in this Agreement:

- (a) the businesses of the Company has been carried on in the ordinary and usual course and in the same manner (including nature, practices and scope) as in the past;
- (b) there has been no adverse change or development involving or reasonably likely to involve an adverse change in the condition, affairs or prospects (whether business, financial or otherwise) of the Company and the Company has entered into transactions and incurred liabilities solely in the ordinary course of trading;
- (c) no resolution of the Company in general meeting has been passed;
- (d) the Company has not transferred, allotted or issued, or agreed to transfer, allot or issue, or granted (or agreed to grant) any right to any person to call for the transfer, allotment or issue of or any Encumbrance in favour of any person affecting, shares or share capital or equity interests, or loan capital or debentures of the Company or any securities convertible into, exchangeable for or otherwise to acquire, or any option or right to purchase, subscribe for or otherwise acquire, any of the foregoing;
- (e) the Company has not declared, paid or made and is not proposing to declare, pay or make any dividend or other distribution;
- (f) the accounting, financial or Tax procedures, principles or standards and the financial year end of the Company has not been changed;
- (g) no event has occurred which would entitle any party (with or without the giving of notice) to call for the repayment of indebtedness owed by the Company prior to its normal maturity date;

- (h) no asset of the Company has been acquired or disposed of, or has been agreed to be acquired or disposed of, and the Company has not disposed of or parted with possession of, or agreed to dispose of or part with possession, or created, granted or permitted, or agreed to create, grant or permit, any Encumbrance over or affecting, any of their respective business, undertakings, properties, rights or assets (including know-how) or made any payments, other than in the ordinary and usual course of business as previously carried on in the same manner (including nature, practices and scope) as in the past;
- (i) no contract involving expenditure by it has been entered into by the Company, and no liability has been created or has otherwise arisen, other than in the ordinary and usual course of business as previously carried on in the same manner (including nature, practices and scope) as in the past;
- (j) no remuneration (including bonuses) or benefit payable to any officer or employee of the Company has been increased nor has any Company undertaken any obligation to increase any such remuneration or benefit at any future date with or without retrospective effect; and
- (k) the Company has not stretched, prolonged or otherwise amended the payable and / or collection periods or days in respect of their payables or receivables.

## 8. CONTRACTS, COMMITMENTS AND FINANCIAL AND OTHER ARRANGEMENTS

- (a) There are not now outstanding, nor will there be outstanding at Closing, with respect to the Company, any Contracts, being:
  - (i) any Contracts of service with directors or employees which cannot be terminated by three (3) months' notice or less or (where not reduced to writing) by reasonable notice without giving rise to any claim for damages or compensation (other than a statutory redundancy payment);
  - (ii) any agreements or arrangements to which the Company is a party for profit sharing, share incentives, share options, incentive payments or payment to employees of bonuses;
  - (iii) any obligation or arrangement to pay any pension, gratuity, retirement annuity or benefit or any similar obligation or arrangement in favour of any person;
  - (iv) any agreement (whether by way of guarantee, indemnity, warranty, representation or otherwise) under which the Company is under any actual, contingent or other liability or obligation in respect of:

- (A) any disposal or acquisition by the Company of assets or business or any part thereof except such as are usual in the ordinary, usual and proper course of its normal day to day trading as carried on at the date of this Agreement; or
- (B) the obligations of any other person (including without limitation any director, officer, employee or consultant of the Company);
- (v) any Contract which involves consideration, expenditure or liability of an amount in excess of HK\$50,000, is for a term exceeding two (2) months, is of a nature or magnitude calling for special attention or which contains any unusual or onerous provision;
- (vi) any Contract otherwise than by way of bargain at arm's length or with the Seller, any of its Affiliates and / or other existing shareholder of the Company;
- (vii) any arrangements (contractual or otherwise) between the Company and any party which will or may be terminated, prejudiced or adversely affected as a result of the transactions contemplated hereunder or of compliance with any other provision of this Agreement;
- (viii) any future, swap, derivative or forward or hedging Contract or arrangement;
- (ix) any agreement for or relating to a loan or any borrowing, facility, debenture, guarantee, security, indemnity or letter of credit or leasing, hiring, hire purchase, credit sale or conditional sale agreement;
- (x) any Contract involving, or likely to involve, obligations or expenditure of an unusual or exceptional nature or magnitude of an amount in excess of HK\$10,000;
- (xi) any agreement giving any guarantee, indemnity, security or warranty, or making any representation, in respect of goods, services or facilities supplied or contracted to be supplied by the Company or accepting any liability or obligation that would apply after any such goods, services or facilities had been supplied by it;
- (xii) any agreement or instrument relating to land, properties, buildings or premises, except the Leases;
- (xiii) any joint venture, shareholder, partnership, consortium, teaming, co-operation or profit share agreement, arrangement or commitment; or
- (xiv) any agreement with an Authority (including a Tax Authority).

- (b) Each Contract is a lawful, valid, binding and enforceable agreement. Entry into, performance of and compliance with such Contracts do not and will not breach any provision of the Company's constitutional documents or result in a breach of any applicable Laws. Each Company has duly performed all of its obligations under such Contracts and no breach or alleged breach, or event which would constitute a breach by the Company, or any other party thereto, has occurred.
- (c) Entry into, performance of and compliance with this Agreement do not and will not conflict with or result in the breach of or constitute a default under any Contract or any loan to or mortgage or charge created by the Company (if any) or relieve any other party to a Contract with the Company of its obligations under such Contract or entitle such party to terminate such Contract, whether summarily or by notice, or otherwise result in the determination, termination, rescission, avoidance or repudiation of any Contract.
- (d) No charges, rights of security or third party rights of any kind or other Encumbrances whatsoever have been created or agreed to be created or permitted to arise over any of the assets of the Company.
- (e) There are no claims from any party against the Company under any Contract (including without limitation claim of indemnity or liquidated damages).
- (f) All required authorizations, consents or approvals for the transactions and matters contemplated under this Agreement or the change of control, change of management or change of directors and officers of the Company have been / will have been obtained prior to Closing. All such required notifications have been / will have been made prior to Closing.

## 9. INSOLVENCY

- (a) No receiver, administrator, manager, liquidator, provisional liquidator or the like, has been appointed in respect of the Company or the whole or any part of the assets, properties or undertaking of the Company.
- (b) No petition has been presented, no order has been made, no meeting has been convened, no resolution has been passed and no other step has been taken for the winding-up, liquidation, insolvency or dissolution of the Company, whether or not voluntary.
- (c) The Company has not stopped payment nor are they insolvent or unable to pay their debts.
- (d) No distress, execution, injunction or other process has been levied in respect of the Company.

- (e) No unsatisfied judgment, order, decree, award or decision is outstanding against the Company or for any person whose acts or defaults it may be vicariously liable.
- (f) No composition or scheme of arrangement in satisfaction of debts or other affairs of the Company or compromise or arrangement between the Company and its creditors or members (or any class thereof) has been proposed, sanctioned or approved, and no step is or has been taken to do any of those things.
- (g) There are no fact or circumstance which may give rise to, or entitle or confer a right upon any person concerning, any of the matters referred to in paragraphs (a) to (f) above.

## 10. INSURANCE

- (a) Full and complete copies of all of the existing insurance policies effected and maintained by the Company have been provided to the Purchaser. All such existing insurance policies remain valid and effective.
- (b) The Company has effected and maintain at all material times valid policies of insurance providing sufficient coverage for all property and assets which are capable of being insured in an amount and to the extent that it is prudent to do so in the business carried on by the Company, and policies of insurance providing sufficient coverage required under the applicable Laws and the Contracts.
- (c) All premiums and contributions due in respect of such policies of insurance have been paid in full and all the other conditions of the said policies have been performed and observed in full. Nothing has been done or omitted to be done whereby any of the said policies or any other existing insurance policies of the Company has or may become void or voidable and none of the said policies is subject to any special or unusual terms or restrictions or to the payment of any premium in excess of the usual rate.
- (d) No claim is outstanding either by the insurer or the insured under any of the said policies and no claim against the Company by any third party is outstanding in respect of any risk covered by any of the policies or by any policy previously held by the Company.
- (e) There are no circumstances of which the Seller is aware which would or might entitle the Company to make a claim under any of the said policies or which would or might be required under any of the said policies to be notified to the insurers.

## 11. LITIGATION AND COMPLAINTS

(a) Save as Disclosed, there is:

- (i) no existing, pending, threatened or expected claim, dispute, suit, action, litigation, arbitration or administrative, civil or criminal or other proceeding by, against, engaged in by or otherwise involving, whether as plaintiff, defendant or otherwise;
- (ii) no outstanding judgment, order, decree, award or decision against; and
- (iii) no existing, pending, threatened or expected investigation, inquiry, audit, review, challenge or proceeding by any Authority against, the Company or any of its directors, officers, employees, agents, attorneys, sub-contractors or representatives or persons whose acts or omissions the Company is or might be vicariously liable or may bind the Company (in such capacity) or any of its assets, Contracts or other affairs.

(b) There is no fact or circumstance of which the Seller is aware which is likely to give rise to any claim, dispute, suit, action, litigation, arbitration, proceeding, judgment, order, decree, award or decision, investigation, inquiry, audit, review or challenge referred to in this paragraph 11.

## 12. PROPERTIES

- (a) The Company does not directly or indirectly own any real estate, land, building or premises.
- (b) Particulars of all Leases and the Properties to which the Leases relate have been Disclosed. Such particulars are true, accurate, and not misleading. Save as Disclosed, there are no other properties used or occupied, or which need to be used or occupied, by the Company in carrying on its business.
- (c) The Leases are all good, valid, effective, binding and subsisting in accordance with their terms and under Laws and in no way have become void or voidable.
- (d) All parties to the Leases have duly and as promptly as possible observed, complied with and performed all covenants, obligations, conditions and restrictions imposed or binding upon them under the Leases.
- (e) All rent and other charges or payments payable under the Leases have been paid as and when due and no rent has been paid in advance of the due date for payment.
- (f) The Leases have all been properly stamped as required and all necessary forms, returns, filings and submissions relating to the Leases or the

Properties have been lodged or registered with competent land registries, rating or valuation commissioners and governmental or regulatory bodies within the prescribed time period as required and in accordance with the applicable Laws.

- (g) Each Property is occupied or otherwise used by the Company in connection with its business. The former and present holding, leasing, renting or tenanting, occupation or use of each Property is not in contravention of any Laws or provision of the Leases.
- (h) Each Property is in good and substantial repair and fit for the purposes for which it is currently used.
- (i) The Company has not breached, and have not received any notice and are not aware of any claim or allegation that the Company has breached, any term of the Leases.
- (j) There are no outstanding notices, orders, complaints or requirements issued by any Authority or any other person to the Company in respect of any Property, and, so far as the Seller is aware, there are no outstanding or threatened actions, disputes, complaints, notices, claims, orders, liability or obligations or demands between the Company and any party relating to any Property.

### 13. TAX

- (a) The Company has duly and fully complied with all applicable Tax Laws in the jurisdictions in which it operates.
- (b) The Company has duly and timely (i) filed all Tax returns as required by Law to have been filed by it and all such Tax returns are true, correct, and complete in all respects and were prepared in compliance with all applicable Laws and accounting standards, and (ii) supplied or caused to be supplied all information regarding Taxation matters which it is required to make or supply to any Authority (wherever situated). There is no dispute or disagreement nor is there any contemplated or reasonably foreseeable dispute or disagreement with any such Authority regarding the Company's liability or potential liability to any Tax (including in each case penalties and interest or the withdrawal or discontinuance of any Relief) or regarding the availability to the Company of any Relief from Tax.
- (c) The Company has duly and timely settled all Taxes applicable to the Company in full (whether arisen from operations or share transfers or otherwise and whether or not shown on any Tax returns or otherwise demanded by the Authority) required to be paid by it. No Tax liens (other than for current Taxes not yet due or payable) are currently in effect against any of the assets of the Company.

- (d) Full and proper provision has been made in each of the Audited Accounts and Management Accounts for all Tax liability and exposures (including contingent Tax exposures), whether or not assessed or disputed. Such provisions are complete and sufficient up to and including the Closing Date. The unpaid Taxes of the Company (i) did not, as of the date of the relevant set of accounts, exceed the reserve for Tax liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the relevant set of accounts (rather than in any notes thereto) and (ii) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of the Company in filing its Tax returns.
- (e) There is no existing, pending or threatened investigation, audit, inquiry, check or review or actions, suits, claims or proceedings of or against the Company relating to Tax or by any Tax Authority and, there are no circumstances existing which may give rise to any of the foregoing.
- (f) No Tax audit or administrative or judicial Tax proceeding by any Authority with respect to the Company is currently in progress or has been threatened or is reasonably foreseeable. No assessment of Tax has been issued in writing with respect to the Company or any of their asset or property. No Company has received from any Authority (including jurisdictions where the Company has not filed Tax returns) any (i) notice indicating an intent to open an audit or commence any other review of a Company's Tax affairs, (ii) request for information related to Tax matters, (iii) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any Authority against the Company, or (iv) any notice of an actual, threatened, or reasonably foreseeable withdrawal or reduction of any Relief. No Company is subject to any waivers or extensions of applicable statutes of limitations with respect to Taxes for any year. Except for extensions applied for and granted in the ordinary practice of the applicable jurisdiction, no Company currently is the beneficiary of any extension of time within which to file any Tax return.
- (g) Since the Accounts Date and as at the date of this Agreement:
  - (i) no liability for Taxation has been incurred in relation to any Contract not in the ordinary or usual course of business as previously carried on in the same manner (including nature, practices and scope) as in the past, as evidenced in the Audited Accounts;
  - (ii) there has been no disposal of any asset or supply of any goods, services or facilities of any kind (including a loan of money or the letting, hiring or licensing of any asset whether tangible or intangible) in circumstances otherwise than on arms' length terms or where the consideration actually received or receivable for such disposal or supply was less than the consideration which could be deemed to

have been received for Tax purposes or in excess of market value; and

(iii) no event has occurred which gives rise to a Tax liability to the Company on deemed (as opposed to actual) income, profits or gains or which results in the Company becoming liable to pay or bear a Tax liability directly or primarily chargeable against or attributable to another person, firm or company.

(h) No Company has received any claim from an Authority in a jurisdiction where the Company does not file Tax returns that the Company is or may be subject to Taxation by that jurisdiction. No Company is treated as a resident for Tax purposes of, or is otherwise subject to Tax in, or has branch, permanent establishment, agency or other Taxable presence in, any jurisdiction other than the jurisdiction in which it has been established.

(i) The Company has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts due, owing to or paid to any person.

(j) The Company is in compliance in all respects with all terms, conditions and formalities necessary for the continuance of any Relief available under any applicable Law. Each such Relief (i) is expected to remain in full effect throughout the current effective period thereof after the Closing Date and is not subject to reduction, revocation, cancellation or any other changes (including retroactive changes) in the future, and the Company has not received any notice to the contrary or is aware of any event that may result in repeal, cancellation, revocation, or return of such Relief. The Company is in compliance with all transfer pricing requirements in all jurisdictions in which it is required to comply with applicable transfer pricing Laws, and all the transactions between the Company and other related persons have been effected on an arm's length basis. All exemptions, reductions and rebates of Taxes granted to the Company by an Authority are in full force and effect and have not been terminated as evidenced with valid governmental approvals. The Company is not responsible for Taxes of any other person by reason of Contract, successor liability, operation of Law or otherwise. The Company is not, or has not been, party to, involved with, bound by or otherwise subject to any tax-sharing agreement, tax-allocation agreement or similar agreement.

(k) The Company will not be required to include amounts in income, or exclude items of deduction, or qualification for Relief, in any taxable period beginning after the Closing Date as a result of (i) a change in method of accounting occurring on or prior to the Closing Date, (ii) agreement with any Authority executed on or prior to the Closing Date, (iii) instalment sale or open transaction disposition made on or prior to the Closing Date, or (iv) prepaid amount received on or prior to the Closing Date. The transactions contemplated under this Agreement to which the Company is a party are not in violation of any applicable Law regarding Tax, and will not result in any

Relief being revoked, reduced, cancelled or terminated or trigger any Tax liability for the Company.

- (l) No event has occurred which has prevented, will prevent or could prevent the Company from obtaining the benefit of any future income tax benefit or other Relief provided for in the Audited Accounts or the Management Accounts.
- (m) The Company (i) has not been a member of an affiliated Company filing a consolidated Tax return or (ii) has no liability for the Taxes of any person as a result of the Company being part of or owned by, or ceasing to be part of or owned by, an affiliated, combined, consolidated, unitary or other similar company prior to Closing, as a transferee or successor, by Contract or otherwise.
- (n) The Company has not entered into, been a party to or otherwise involved in: (i) any transaction or arrangement or series of transactions or arrangements the sole or main purpose, or one of the main purposes of which was or could be said to be, or involving steps taken without any commercial or business purpose apart from, the obtaining of a Tax advantage or the avoidance or deferral or reduction of Tax (including, for the avoidance of doubt, the gaining of any Relief) by the Company or any associated person; or (ii) any transaction the object of which was the exclusion or reduction of the amount of any income, profits, gains, sales, supplies or imports made or enjoyed by the Company or any associated person for any Tax purpose, or the creation or increase of the amount of any deduction, loss, allowance or credit claimed or intended to be claimed by the Company or any associated person for any Tax purpose, that may be challenged, disallowed or investigated by any Authority.
- (o) All transfer pricing documentation and policies adopted by the Company are accurate and in all respects consistent with prevailing Laws, policies, and methodologies and there are no circumstances which have caused or could cause any Authority to make any transfer pricing adjustment to the profits or losses of the Company, or require any such adjustment to be made to the terms on which any such transaction is treated as taking place, and no such adjustment has been made or threatened or is reasonably foreseeable.
- (p) The Company has complied with all Laws in respect of any value added or similar Tax on consumption, have promptly submitted accurate returns, maintain full and accurate records, and have never been subject to any interest, forfeiture, surcharge or penalty and are not a member of a Company or consolidation with any other company for the purposes of such value added Tax.
- (q) There is no concession, agreement (including agreements for the deferred payment of any Tax liability) and other formal or informal arrangement with any Authority relating to the Company.

- (r) The Company has sufficient Books and Records relating to past events during the seven (7) years prior to the date of this Agreement to calculate the Tax liability or Relief which would arise on any disposal or realisation of any asset owned at the date of this Agreement.
- (s) Any pre-Closing restructuring does not (and will not) give rise to a liability to Tax and does not (and will not) adversely impact the Tax attributes of the Company, and will not impose any restriction or time bar on any future reorganisations of the Company.
- (t) A complete list of all Tax rulings, advices, consents and clearances ("Rulings") affecting the Company from any Authority has been Disclosed. All particulars given to any Authority in connection with or affecting any application for any Rulings, fully and accurately disclosed all facts and circumstances material for the decision of the Authority. Each Ruling is valid and effective. Each transaction for which that Ruling has previously been obtained has been carried into effect in accordance with the terms of the relevant application or Ruling. All transactions carried into effect have complied with the Rulings and were implemented in a manner consistent with the Rulings and no action has been taken to prejudice the application of the relevant Ruling.

#### 14. EMPLOYMENT

- (a) Apart from those Disclosed, the Company has not entered into any Contract to appoint, employ or engage any employees, officers, consultants or independent contractors.
- (b) All details of employees, officers, consultants and independent contractors of the Company Disclosed are true, accurate, complete and not misleading.
- (c) The Company has complied with all Laws relating to appointment, employment and / or engagement of their directors and employees (including visa, work permit, immigration, quota or similar requirements or restrictions concerning foreign workers or employees). All employees of the Company are legally entitled to remain and work in, and have complied with all such requirements or restrictions of, the jurisdiction in which they work or are employed.
- (d) There is no existing, pending or threatened investigation, audit, inquiry, check or review or actions, suits, claims or proceedings of or against the Company relating to:
  - (i) the appointment, hiring or employment of directors or employees;

(ii) any visa, work permit, immigration, quota or similar requirements or restrictions concerning foreign workers or employees; or

(iii) any hiring or employment consent or quota (or the loss, termination, revocation or non-renewal thereof);

and, there are no facts or circumstances which may give rise to any of the foregoing.

(e) The Company has performed all its obligations and is not in default or violation of any employment, service or other Contract with its directors or employees. Each such Contract complies and is being performed in accordance with all applicable Laws.

(f) No director, employee or consultant or former director, employee or consultant of the Company has any existing, pending or threatened claims against or disputes with the Company whatsoever.

(g) The Company is not a party to or subject to any agreement or arrangement with, and does not have commitment to, any trade unions, works councils, collective bargaining organisations, staff associations or body representing employees.

(h) Full provision has been made in the Audited Accounts and Management Accounts for all and any compensation, severance payment or long service payment for which the Company is liable (including accrued entitlements) in respect of loss of office, wrongful dismissal, redundancy, unfair dismissal or termination or cessation of employment.

(i) The Company has no outstanding or threatened undischarged liability to pay to any Authority in any jurisdiction any contribution or Taxation arising in connection with the employment or engagement of personnel.

(j) There is not in existence nor is the Company proposing to introduce any ESOP Scheme for all or any of its directors, officers or employees. As at Closing, no ESOP Scheme or profit sharing agreement or arrangement between the Company and its directors, officers or employees exists, and the Company has no residual or outstanding obligations or liabilities under any ESOP Scheme or profit sharing agreement or arrangement.

(k) There is not outstanding any Contract or arrangement to which the Company is a party for the payment to any person or body of any consultancy or like fees.

## 15. CONTRIBUTION SCHEME

- (a) Apart from the contribution ("Contribution") under the Hong Kong Mandatory Provident Fund scheme ("Contribution Scheme"), the Company is not under any legal liability in respect of any officer, director or employee to provide any pensions, deferred pensions, social contribution, social security, provident fund, gratuity, annuity, allowances or lump sums payable in respect of retirement, long service, termination of employment, death, housing, overtime and like benefits (whether on a funded or unfunded basis) or to contribute to any scheme or arrangement providing such benefits, nor has any proposal been disclosed to pay any such benefits or any such scheme or arrangement, and there are no arrangements operated by any person for the provision of such benefits in respect of former directors or employees of the Company or for the provision of such benefits on a voluntary basis.
- (b) No amendments or alterations have been made to the Contribution Scheme since such scheme was introduced.
- (c) All Contributions which have fallen due for payment have been paid in accordance with the provisions of the Contribution Scheme and applicable Laws.
- (d) There has been no breach of trust and no actions, suits or claims are pending or threatened in respect of the Contribution, and, there are no fact or circumstances which may give rise to any such actions, suits or claims.
- (e) The Contribution Scheme has been administered in accordance with its governing documents and all applicable Laws.
- (f) No power to augment benefits or prospective benefits under the Contribution Scheme has been exercised in relation to any present or former directors or employees of the Company, nor has there been any announcement or other communication made that could lead to an expectation of such exercise in relation to any such director or employee.
- (g) No undertaking or assurance (whether legally binding or not) has been given to any present or former director or employee of the Company as to the continuance, introduction or increase or improvement of any benefits under the Contribution Scheme.

## 16. **POWERS OF ATTORNEY**

The Company has given no power of attorney or other authority (express, implied or ostensible) which is outstanding or effective to any person to enter into any contract or commitment on their behalf.

## 17. **INTELLECTUAL PROPERTY**

- (a) Full details of all Intellectual Property Rights of the Company (including, without limitation, applications for registration) has been Disclosed and the details so Disclosed are true, accurate, complete and not misleading.
- (b) All such Intellectual Property Rights so Disclosed comprise all the Intellectual Property necessary and convenient for the Company to conduct and operate its businesses and operations as currently and proposed to be conducted. The Company has the necessary rights and authority to use and be entitled to all such Intellectual Property Rights.
- (c) The trade marks and domain names which are Disclosed have been duly registered and are owned by the Company in the relevant jurisdiction(s).
- (d) Each of the Intellectual Property Rights is:
  - (i) valid, subsisting and enforceable and nothing has been done or omitted to be done by which it may cease to be valid, subsisting and enforceable;
  - (ii) solely legally and beneficially owned by, or vested in or validly licensed or granted to the Company free from Encumbrance and not restricted in any way;
  - (iii) used exclusively by the Company; and
  - (iv) not, and will not be, the subject of a claim, opposition, or challenge from a person including an employee of any Company or any affiliated entity of the Company as to title.
- (e) In respect of all of the registered Intellectual Property Rights and all applications for registration, all renewal fees and steps required for their maintenance or protection have been paid and taken.
- (f) Nothing has been done or omitted to be done by which a person is or will be able to seek or require the cancellation, revocation, rectification or other modification of a registration of any of the Intellectual Property Rights or to acquire a compulsory licence thereunder.
- (g) The Company has at any time granted any licence to, nor acquiesced in, nor authorised, the use by, any third party of any of the Intellectual Property Rights and there is, and has been, no infringement or threatened infringement of any of the Intellectual Property Rights.
- (h) There is and has been no proceedings or disputes in any jurisdiction concerning any of the Intellectual Property Rights and no proceedings concerning any of the Intellectual Property Rights is pending or threatened.

- (i) The Company has not infringed the Intellectual Property rights of another person. The Company has not been and are not involved in any proceedings or disputes in any jurisdiction concerning any of such Intellectual Property rights and no such proceedings concerning any of such Intellectual Property rights are pending or threatened. The systems, processes and methods employed, the services and facilities provided, the products used, manufactured, dealt in or supplied and the business conducted by the Company (including Computer Equipment) do not and, at the time of being employed, provided, used, manufactured, dealt in or supplied or conducted, did not infringe the Intellectual Property rights of any third person.
- (j) There is and has been no breach nor is there any fact or matter which would or may create a breach of or otherwise permit termination of any licences or rights granted to the Company in respect of any Intellectual Property Rights. No notice to terminate any such licences or rights has been given or threatened.
- (k) The Company have not disclosed or agreed to disclose any of the Intellectual Property Rights in the nature of know-how or information not in the public domain (and whether or not recorded in documentary form or on computer disc) relating to the Company or its business or affairs to any person other than their employees for the purpose of carrying on their business.

#### 18. ARRANGEMENTS BETWEEN THE COMPANY AND RELATED PARTIES

- (a) No (i) Seller or entity Controlled by the Seller, (ii) director, officer, employee or consultant of an entity Controlled by the Seller or (iv) Affiliate of any of the persons named in (i) or (ii) above (each such party, an "**Interested Party**"), either on its own account or in conjunction with or on behalf of any other person, has any interest in, carry on, assist or is engaged or concerned or involved in, directly or indirectly, or has entered into or involved in any agreement or other arrangement or undertaking (whether oral or written) in respect of, any business or activity which is or is likely to be or become competitive with or prejudicial to the Company's Business.
- (b) There is no indebtedness or obligations (actual, potential, contingent or deferred) and no Contract, agreement, dealing, understanding, proposed transaction, or arrangement (including without limitation any guarantee, indemnity or security or commitment to provide loan or debt or extend or guarantee credit or enter into any security arrangement whatsoever) is outstanding between or otherwise involving both the Company and any Interested Party (each an "**Interested Party Transaction**").
- (c) Each Interested Party Transaction is on terms and conditions as favourable to the Company as would have been obtainable by it at the time in a comparable arm's length transaction with an unrelated party.

(d) There is no agreement between any shareholders of the Company in respect of any earn-out arrangement, deferred consideration arrangement, profit sharing, put or call option over any shares in any member of the Company.

(e)

**19. GRANTS AND ALLOWANCES**

(a) The Company has applied for or received grant from the Securities and Futures Commission for establishment of Open-ended Fund Companies ("OFC"), of which the Company has obtained grants for three OFCs. The SFC reserves the right to claw back the grant awarded under the circumstances set out in the terms and conditions of the Grant Scheme ("Terms and Conditions"), including where the OFC commences winding-up or applies for termination of registration within two years from the date of incorporation or re-domiciliation.

**20. LICENCES AND CONSENTS AND ORDERS AND DIRECTIVES**

(a) In respect of all consents, quotas, lodgements and returns, required for the carrying on of the business now being and as proposed to be carried on by the Company and all consents, quotas, lodgements and returns otherwise obtained by the Company for their business:

(i) they have been granted or issued in favour of or duly made by the Company and are valid and in full force and effect;

(ii) the Company is not in default or breach and have not received notice that they are in default or breach with respect to the terms thereof and the Company has not received notice that any of them is likely to be, and there are no facts or circumstances that could constitute grounds under which any of them may be, terminated, revoked, modified, suspended, cancelled, refused or not renewed; and

(iii) they will not be affected by, and do not have terms or conditions that may give rise to any breach or default under, could be in conflict with or otherwise would entitle an Authority to terminate, revoke, modify, suspend, cancel, refuse or not renew it in connection with, the execution, delivery, performance or consummation of this Agreement.

(b) The Company has not been in, and have not received any claim or notice of or been subject to, any inquiry, investigation, audit or review which may result in any consent, concession, quota, lodgement or return being terminated, revoked, modified, suspended, cancelled, refused or not renewed.

- (c) There are no outstanding orders, decrees, directions, directives, decisions or judgments of any Authority binding on or relating to the Company or its business and operations that are not being fulfilled and complied with in full by the Company.
- (d) All foreign investment and other related regulatory guidelines imposed on the Company in any jurisdiction have been complied with.

## 21. ENVIRONMENTAL MATTERS

- (a) The Company has not received any notice, complaint, direction or communication in any form from any Authority or other third party from which it appears that they may be or are alleged to be in breach of any such Laws or any matter concerning the environment (meaning any air, water (including ground water and water in drains and sewers) and land (including land under water and surface and sub-surface land)).
- (b) No proceedings or other action, claim or investigation are or have been in existence or pending or threatened against the Company concerning any such Laws or any matter concerning the environment.
- (c) There are no facts or circumstances which may give rise to any actual or potential non-compliance with, breach of or liability under, or obligation to comply with or provide any undertaking in respect of, any such Laws or any matter concerning the environment.

## 22. DATA PROTECTION

- (a) The Company has complied with all Laws relating to data protection or privacy, information security or protection and / or processing of personal data in any relevant jurisdiction, including the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).
- (b) Neither the Company nor any other person appointed by it to process data has suffered any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to any data.
- (c) The Company has not received any notice, communication or complaint from any person or any Authority alleging in good faith a breach by it of (or claiming compensation under) such Laws and the Seller and the Company are not aware of any circumstances which may give rise to a notice, communication or complaint of that kind.

## 23. COMPETITION

- (a) The Company has complied with all Laws relating to competition and / or anti-trust in any relevant jurisdiction, including without limitation the Competition Ordinance (Chapter 619 of the Laws of Hong Kong).
- (b) The Company has not received any notice, communication or complaint from any person alleging in good faith a breach by it of (or claiming compensation under) such Laws and the Seller is not aware of any circumstances which may give rise to a notice, communication or complaint of that kind.

### Schedule 3

#### Restricted Actions Pending Closing

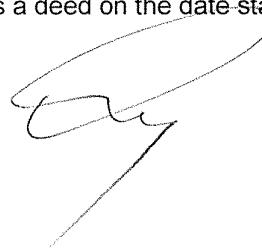
1. Create, allot, vary the rights or terms of, issue or grant any shares, equity or loan capital (or new class of shares or capital) or securities convertible into or exchangeable for any shares or equity or loan capital or any option or right to subscribe in respect of any shares, equity or loan capital or such securities.
2. Reduce, cancel, buy-back, purchase, redeem, repay, return or otherwise alter the share or loan capital of the Company, except as contemplated under this Agreement.
3. Alter or restate the provisions of its memorandum or articles of association or other constitutional documents or adopt or pass regulations, by-laws or resolutions inconsistent with them.
4. Enter into, terminate or amend the terms of any joint venture, partnership, consortium, teaming, co-operation or profit share agreement, arrangement or commitment.
5. Enter into any transaction, agreement, contract or commitment other than on arm's length basis.
6. Enter into or amend the terms of or terminate any transaction, agreement, contract or commitment with the Seller or its Affiliates.
7. Enter into any transaction, agreement, contract or commitment involving liability, expenditure, costs or consideration of an amount in excess of HK\$20,000 or acquire or dispose of any interest in any asset with a net asset value in excess of HK\$20,000 or assume or incur, or agree to assume or incur, a liability, obligation or expense (actual or contingent) except in the ordinary course of business as previously carried on in the same manner (including nature, practices and scope) as in the past.
8. Dispose of, or grant any option or right of pre-emption in respect of, or acquire, any fixed asset of the Company.
9. Make, undertake, approve or agree to make or undertake or approve any capital commitment or capital expenditure of an amount in excess of HK\$20,000.
10. Create, extend, grant or issue any mortgage, charge, debenture, pledge, lien or other Encumbrance over any of the assets, property or the undertaking of the Company.
11. Create, extend, assume or grant any guarantee, indemnity, bond or other security or contingent obligation in the nature of a financial obligation including letters of comfort or support, keepwell letters, performance bonds, letters of credit, utility guarantees and other similar instruments.
12. Incur, amend or waive any indebtedness or liability in the nature of borrowing.

13. Declare, pay or make any dividend or distribution.
14. Engage, remove, replace or dismiss any employee or officer or make any material variation to the terms and conditions of employment of any employee or officer or provide or agree to provide any gratuitous payment or benefit to any employee or officer or any of his Affiliates.
15. Appoint, remove or replace any directors, secretaries, legal representatives or auditors, unless directed by the Purchaser.
16. Start any suit, litigation, arbitration or other actions and proceedings.
17. Settle, compromise, release or waive any dispute, litigation, arbitration or other actions and proceedings or any liability, claim, action, demand or dispute or waive any right in respect of the foregoing.
18. Pass any resolution in general meeting or of shareholders or members (other than any resolution constituting ordinary and routine business conducted at an annual general meeting).
19. Make, file or issue any submission, return or correspondence in connection with Taxation.
20. Make any change to accounting, financial or Tax procedures, principles or standards.
21. Liquidate, dissolve, wind-up, propose or permit any scheme, reconstruction or administration, composition, arrangement with creditors or receivership, restructure, reorganise or effect any hive-up or hive-down of assets or convene any meeting, pass any resolution, appoint any trustee, administrator, receiver or other professional or take any other step to effect or in relation to any of the foregoing matters.

**Execution Page to Share Purchase Agreement**

**IN WITNESS WHEREOF** this Agreement has been executed as a deed on the date stated at the beginning.

Signed, Sealed and Delivered as a Deed by  
**WONG ALBERT KA WAH**  
in the presence of:

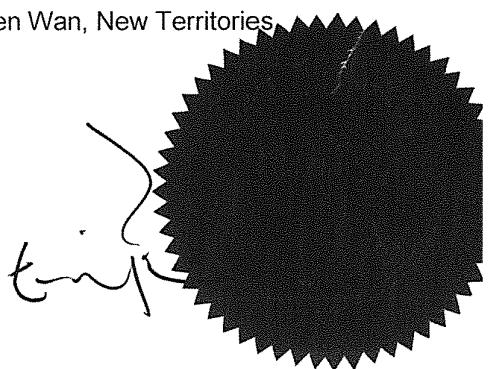


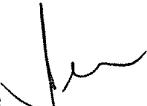
Signature of Witness:   
Name: To Hok Man

Address: Workshop C4, 19/F, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong

Executed and Delivered as a Deed by  
For and on behalf of  
**QUALI-SMART HOLDINGS LIMITED**  
in the presence of:

)  
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)  
)  
)



Signature of Witness:  
Name: Tang Yuen Ching Irene   
Address: Workshop C, 19/F, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong