

PLACING AND SUBSCRIPTION AGREEMENT, made on 27 October 2021

AMONG

- (1) **LI NING COMPANY LIMITED** (the "**Company**", together with its subsidiaries, the "**Group**"), a company registered in the Cayman Islands and having its registered address at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong at Unit 3301, 33/F., BEA Tower Millennium City 5, 418 Kwun Tong Road Kowloon, Hong Kong;
- (2) **VIVA CHINA DEVELOPMENT LIMITED** (the "**Seller**"), a company registered in the British Virgin Islands and having its registered address at Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, British Virgin Islands VG111 and its principal place of business in Hong Kong at 2/F, PopOffice, 9 Tong Yin Street, Tseung Kwan O, New Territories, Hong Kong;
- (3) **J.P. MORGAN SECURITIES PLC** ("**JPM**"), a company incorporated in England and Wales, whose registered office is at 25 Bank Street, Canary Wharf, London, E14 5JP, United Kingdom; and
- (4) **NOMURA INTERNATIONAL (HONG KONG) LIMITED** ("**Nomura**"), a company duly incorporated under the laws of Hong Kong whose registered office is at 30/F, Two International Finance Centre, 8 Finance Street, Central Hong Kong (together with JPM, the "**Managers**", and each a "**Manager**").

WHEREAS

- (A) Subject to the terms and conditions set out in this placing and subscription agreement (the "**Agreement**"), the Seller agrees to sell, and the Managers agree, as agent of the Seller, to procure not less than six purchasers to purchase, or failing which, to purchase themselves certain ordinary shares of HK\$0.10 each (the "**Shares**") in the issued share capital of the Company (the "**Sale**").
- (B) Subject to the terms and conditions set out in this Agreement, the Company agrees to issue to the Seller, and the Seller agrees to subscribe for, certain Shares (the "**Subscription**").

THE PARTIES AGREE AS FOLLOWS

1. PURCHASE AND SALE

- (a) The Seller hereby appoints the Managers, to the exclusion of all others, to act as its agent for the purpose of effecting the Sale on the terms and subject to the conditions set out in this Agreement and the Managers accept such appointment.
- (b) Subject to the terms and conditions of this Agreement, the Seller agrees to sell, and the Managers agree, as agent of the Seller, to procure not less than six purchasers to purchase 120,000,000 Shares (the "**Sale Shares**") or, failing which, to purchase the Sale Shares, at a price of HK\$87.50 per Share (the "**Purchase Price**"). The number of Shares for which each of the Managers shall be appointed as agent to procure purchasers to purchase under this Agreement shall be several only, and shall be in the following proportion (the "**Relevant Proportion**"):

Managers	JPM	Nomura
Number of Sale Shares	74,400,000	45,600,000

Relevant Proportion	62%	38%
---------------------	-----	-----

- (c) The Seller hereby acknowledges that any Manager is authorised to appoint one or more sub-placing or sub-underwriting agents or selling agents in the United States and/or elsewhere and that such agents shall be agents of the Seller relating to the Sale, and the Seller hereby authorises and confirms that it will ratify and approve all actions lawfully, properly and reasonably taken or to be taken by the Managers and such agents in connection with the Sale in accordance with the terms of this Agreement.
- (d) Any transaction carried out by the Managers (and any agents referred to in Clause 1(b)) in accordance with this Agreement on behalf of the Seller shall constitute a transaction carried out at the request of the Seller, as agent for the Seller, and not in respect of or for the benefit of each Manager's own account.
- (e) In discharging its obligations in Clause 1(b) above, any Manager or its nominees may elect to purchase some or all of the Sale Shares as principal from the Seller at the Purchase Price and, in that event, these Sale Shares may be onsold to purchasers at any prices as such Manager may determine, without any obligation to notify the Seller of such election or of the number of Sale Shares so purchased or of the prices at which those Sale Shares are sold to purchasers.
- (f) The Purchase Price does not include, and the purchasers are responsible for and shall pay brokerage (if any), The Stock Exchange of Hong Kong Limited ("**Hong Kong Stock Exchange**") trading fee of 0.005%, the Securities and Futures Commission of Hong Kong (the "**SFC**") transaction levy of 0.0027% and Hong Kong ad valorem stamp duty at the rate of 0.13% as may be payable by purchasers.
- (g) Any Manager may provide its services under this Agreement through, or in conjunction with, one or more of its affiliates. In so far as JPM in performing its functions under this Agreement, is "dealing in securities" as defined in Part 2 of Schedule 5 to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**"), it shall only do so through its agent J.P. Morgan Securities (Asia Pacific) Limited, and only in circumstances such that none of the sub-provisos (I), (II), (III), (IV) and (V) in sub-paragraph (iv) to the definition of "dealing in securities" in Part 2 of Schedule 5 to the SFO is applicable.
- (h) The obligations of the Managers under this Agreement shall be several only (and not jointly nor on a joint and several basis). For the avoidance of doubt, each of the Managers will be responsible under this Agreement on a several (and not joint nor joint and several) basis only for its own actions and omissions and will not be responsible in any manner for any actions or omissions of the others. None of the Managers will be liable for any failure on the part of any of the others to perform its obligations in this Agreement. Notwithstanding the foregoing, each of the Managers shall be entitled to enforce any or all of its rights under this Agreement either alone or jointly with the others.

2. CLOSING OF SALE

- (a) The closing of the Sale (the "**Closing of the Sale**") shall take place on 1 November 2021 or at such other time and/or date as the Seller and the Managers agree (the "**Closing Date**"). JPM shall act as the settlement agent of the Sale (the "**Settlement Agent**").
- (b) Closing of the Sale shall take place in the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited ("**CCASS**") on a free

of payment basis. By no later than 9:00 a.m. on the Closing Date, the Seller shall procure its designated CCASS participant(s) to give an irrevocable delivery instruction to effect a book-entry settlement of the Sale Shares in accordance with this Agreement and the General Rules and the Operational Procedures of CCASS to the credit of the stock account of the CCASS participant(s) specified by the Settlement Agent before the Closing Date.

- (c) Nomura shall pay or procure to be paid to the Settlement Agent by no later than 9:00 a.m. on the Closing Date an amount equal to the number of Sale Shares actually placed by it under the Sale multiplied by the Purchase Price, together with the Hong Kong Stock Exchange trading fee, SFC transaction levy and Hong Kong stamp duty payable by the purchasers of such Sale Shares, as well as the brokerage fees and commissions that it may receive from the purchasers of the Sale Shares, to the bank account as may be notified by the Settlement Agent to Nomura in writing no later than the business day before the Closing Date.
- (d) Against receipt of payment as set out in Clause 2(c) above and delivery of the Sale Shares as set out in Clause 2(b) above, the Settlement Agent shall pay or procure there to be paid an amount equal to the number of Sale Shares multiplied by the Purchase Price, less any amount authorised to be deducted pursuant to Clauses 7 and 8. Such payment (the "**Sale Net Proceeds**") shall be made for value on the Closing Date to such bank account of the Company held with a bank in Hong Kong as may be notified in writing by the Company to the Settlement Agent at least two business days before the Closing Date, and the Seller hereby acknowledges and agrees that the Company is authorised to receive such payment on behalf of the Seller, pending Closing of the Subscription (as defined below). The Seller acknowledges that payment as aforesaid shall constitute a complete discharge of the Managers' obligations to purchase or procure the purchase of the Sale Shares hereunder.

3. **CONDITIONS PRECEDENT TO CLOSING OF THE SALE**

- (a) The obligations of the Managers hereunder shall be subject to the following conditions (the "**Sale Conditions**"):
 - (i) before the Closing of the Sale, there shall not have occurred:
 - (A) any material adverse change, or any development reasonably likely to involve a material adverse change, in the condition, financial or otherwise, or in the earnings, assets, business, operations or prospects of the Company, or the Company and its subsidiaries taken as a whole; or
 - (B) any suspension or limitation of trading (a) in any of the Company's securities by the Hong Kong Stock Exchange (save and except for any trading halt in relation to the Sale and Subscription), or (b) generally on the Hong Kong Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the London Stock Exchange, the New York Stock Exchange or the Nasdaq National Market; or
 - (C) any outbreak or escalation of hostilities, act of terrorism, the declaration by Hong Kong, the Cayman Islands, the British Virgin Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any other member of the European Economic Area ("**EEA**") of a national emergency or war or other calamity or crisis; or

- (D) any material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the Cayman Islands, the British Virgin Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any other member of the EEA and/or a general moratorium on commercial banking activities having been declared by the relevant authorities in Hong Kong, the Cayman Islands, the British Virgin Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any member of the EEA; or
- (E) any material adverse change or development involving a prospective material adverse change in or affecting the financial markets in Hong Kong, the Cayman Islands, the British Virgin Islands, the PRC, Japan, Singapore, the United States, the United Kingdom or any member of the EEA or in international financial, political or economic conditions, currency exchange rates, exchange controls or taxation,

that, in the sole judgment of the Managers, would make the placement of the Sale Shares or the enforcement of contracts to purchase the Sale Shares impracticable or inadvisable, or would materially prejudice trading of the Sale Shares in the secondary market;

- (ii) the representations and warranties made by any of the Company and the Seller pursuant to this Agreement being true and accurate and not misleading as of the date of this Agreement and the Closing Date;
 - (iii) each of the Company and the Seller having complied with all of the agreements and undertakings and satisfied all of the conditions on its part to be complied with or satisfied under this Agreement on or before the Closing Date; and
 - (iv) the Managers having received on the Closing Date an opinion of Allen & Overy, U.S. counsel to the Managers, to the effect that the offer and sale of the Sale Shares by the Manager as set forth in this Agreement are not required to be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and such other matters as the Managers shall reasonably request, such opinion to be in form and substance reasonably satisfactory to the Managers; and
- (b) The Company and the Seller shall use their respective reasonable endeavours to procure the fulfilment of the Sale Conditions (except the Sale Condition set out in Clause 3(a)(iv)) on or before the Closing Date. The Managers in their sole discretion may jointly waive any of the Sale Conditions, in whole or in part and with or without conditions, by notice to the Company and the Seller. In the event that (i) any of the events set out in Clause 3(a)(i) occurs at any time between the date of this Agreement and the Closing Date, or (ii) the Seller does not deliver the Sale Shares on the Closing Date, or (iii) any of conditions set out in Clauses 3(a)(ii) to 3(a)(iv) has not been satisfied or waived in writing on the dates specified therein, the Managers may jointly elect, in their sole discretion, to terminate this Agreement forthwith, provided that Clauses 3(c), 8, 13, 14, 15, 16, 17 and 18 shall survive such termination and remain in full force and effect, and provided further that if the Seller shall have delivered some but not all of the Sale Shares on the Closing Date, the Managers shall have the option to effect the Sale with respect to such Sale Shares as have been delivered, but such partial Sale shall not relieve the Seller from liability for its default with respect to the Sale Shares not delivered.
- (c) Notwithstanding Clauses 3(a) and 3(b):

- (i) each Manager may (at its sole discretion) agree with one or more purchasers to sell some or all of the Sale Shares to such purchaser(s) (on behalf of the Seller) on the basis that the conditions in this Clause 3 shall not apply in relation to such sales, and, for the avoidance of doubt:
 - (A) if any Manager sells some or all of the Sale Shares in accordance with the foregoing:
 - (aa) the Seller shall deliver, in accordance with this Agreement, to such Manager such number of Sale Shares as notified by such to the Seller for these purposes; and
 - (bb) to the extent any purchaser procured by such Manager pursuant to this Clause 3(c)(i) defaults on its obligations to make payment for its Sale Shares on the Closing Date, such Manager agrees to purchase such Sale Shares at the Purchase Price; and
 - (B) if any conditions set out in Clause 3(a) are waived in respect of the sales referred to in Clause 3(c)(i), the Managers shall not be required to issue any notice to the Company or the Seller in respect of such waiver;
- (ii) if any of the Sale Conditions have not been satisfied and have not been waived by or at Closing of the Sale, the Managers may elect to procure purchaser(s) for or purchase such number of the Sale Shares as the Managers may, in its sole discretion, determine, at the Purchase Price per Sale Share, in which case, to the extent any purchaser so procured by the Managers defaults on its obligations to make payment for its Sale Shares on the Closing Date, the Managers agree to purchase such Sale Shares at the Purchase Price, and the Seller shall accordingly deliver, in accordance with this Agreement, to the Managers such number of Sale Shares as notified by the Managers to the Seller; and
- (iii) any sale or purchase of some or all of the Sale Shares under either Clause 3(c)(i) or 3(c)(ii), and any waiver by the Managers in relation to a purchaser pursuant to its rights under Clause 3(c)(i), shall not relieve the Seller from a continuing obligation to satisfy the requirements set out in Clauses 3(a)(ii) to 3(a)(iv) as continuing obligations of the Company and the Seller (notwithstanding the waiver of those Clauses as conditions of the Managers' obligations hereunder), such continuing obligations being accepted by the Company and the Seller, nor relieve the Company and the Seller from any liability for any breach of its obligations, representations or warranties under this Agreement.
- (iv) for the avoidance of doubt, nothing in this Clause 3(c) relieves any Manager from its obligations, subject to the fulfilment of the Sale Conditions or any waiver thereof, to procure purchasers to purchase the remaining Sale Shares or, failing which, to purchase itself the remaining Sale Shares in accordance with Clause 1.

4. **SUBSCRIPTION**

- (a) The Seller agrees to subscribe as principal for, and the Company agrees to issue, Shares (the "**Subscription Shares**") at the Purchase Price, in the same amount as the total number of Sale Shares actually sold by the Seller pursuant to Clause 2, free from all pledges, liens, charges and encumbrances, equities, security interests or

other claims on the terms and subject to the constitutional documents of the Company and the conditions set out in this Agreement.

- (b) The Company agrees that the Subscription Shares shall, when fully paid, rank *pari passu* in all respects with the other Shares in issue or to be issued by the Company on or prior to the date of completion of the Subscription including the rights to all dividends and other distributions declared, made or paid on or after the date of allotment.

5. CLOSING OF SUBSCRIPTION

- (a) Closing of the Subscription (the "**Closing of the Subscription**") shall take place on or before the second business day after the date upon which the last of the conditions to completion of the Subscription as set out in Clause 6(a) (the "**Subscription Conditions**") to be satisfied shall have been so satisfied, provided that it shall take place on a date no later than 14 days after the date of this Agreement, or at such other time and/or date as the Company, the Seller and the Managers may agree in writing and in compliance with, as the case may be, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**").
- (b) At the business day of the Closing of the Subscription, the Seller shall pay or shall procure the payment of a sum equal to the aggregate of the Purchase Price multiplied by the number of Subscriptions Shares, less any amount authorised to be deducted pursuant to Clauses 7 and 8 (the "**Subscription Monies**"), and such payment shall be deemed to have been duly settled in full by applying the Sale Net Proceeds (or the relevant portion thereof) held by the Company pursuant to Clause 2(d).
- (c) Against payment of the Subscription Monies as set out in Clause 5(b) above, the Company shall:
 - (i) forthwith allot and issue to the Seller (or as it may direct) the Subscription Shares and shall promptly register without registration fee the Seller and/or its nominees as members in respect of the Subscription Shares; and
 - (ii) at the option of the Seller, either: (i) deliver to the Seller (or as it may direct) the definitive certificates in respect of the Subscription Shares in favour of the Seller and/or its nominees; or (ii) deposit the certificates into the account of the relevant CCASS participant with whom the Seller has accounts in accordance with the Seller's instructions.

6. CONDITIONS PRECEDENT TO THE CLOSING OF SUBSCRIPTION

- (a) Closing of the Subscription is conditional upon the fulfilment of the following conditions:
 - (i) the Listing Committee of the Hong Kong Stock Exchange (the "**Listing Committee**") granting listing of and permission to deal in the Subscription Shares (the "**Listing Approval**") and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares under Clause 5(c); and
 - (ii) Closing of the Sale having occurred pursuant to the terms of this Agreement.
- (b) The Company shall, as soon as is reasonably practicable, apply to the Hong Kong Stock Exchange for the granting of Listing Approval after the signing of this Agreement and the Company shall promptly inform the Managers and the Seller

following the receipt of the Listing Approval. The Company shall furnish such information, supply such documents, pay such fees and do all such acts and things as may reasonably be required by the Seller, the Managers, the Hong Kong Stock Exchange and/or the SFC in connection with the fulfilment of the Subscription Conditions.

- (c) In relation to the Listing Approval, the Managers shall no later than the second Business Day after the date of this Agreement submit to the Hong Kong Stock Exchange in the prescribed form a list of the placees procured by it under the Sale (the "**Placees**"). The Managers shall also furnish such information, supply such documents and do all such acts and things as may be reasonably requested by the Hong Kong Stock Exchange in relation to such application by the Company.
- (d) The Company and the Seller shall use their respective reasonable endeavours to procure the fulfilment of the Subscription Conditions as soon as is reasonably practicable. If the Subscription Conditions are not fulfilled within 14 days after the date of this Agreement, or such later date as may be agreed among Hong Kong Stock Exchange, the Company, the Seller and the Managers, the obligations and liabilities of the Seller and the Company under the Subscription shall be null and void and neither the Company nor the Seller shall have any claim against the other for costs, damages, compensation or otherwise save and except any antecedent breach and otherwise than the obligation of the Company to refund the Sale Net Proceeds to the Seller. Notwithstanding any provisions contained in this Agreement, the Managers shall not be liable whatsoever in connection with the Subscription.

7. **COMMISSIONS AND FEES**

In consideration of the services provided by the Managers under this Agreement, the Company, the Seller and the Managers agree as follows:

- (a) the Company shall pay the Managers on the Closing Date (i) a commission equal to 0.50% of the aggregate value of the Sale Shares at the Purchase Price (and each of the Managers shall be entitled to such commission in accordance with the Relevant Proportion); and (ii) brokerage, Hong Kong Stock Exchange, trading fee of 0.005%, SFC transaction levy of 0.0027% and ad valorem stamp duty at the rate of 0.13%, as may be payable by Seller and, if applicable, the Managers, in respect of the sale of the Sale Shares; and
- (b) the Settlement Agent shall be entitled to deduct on behalf of the Managers the commissions, fees and other amounts payable under Clause 7 and Clause 8 from the amounts payable to the Company pursuant to Clause 2. The Settlement Agent shall inform Nomura the sum deducted on behalf of Nomura pursuant to this Clause 7 and shall remit Nomura's entitled amount within 30 days after the Closing Date by paying or procuring to pay such sum to the bank account as may be notified by Nomura to the Settlement Agent in writing.

8. **EXPENSES**

- (a) The Company shall be responsible for the expenses, including legal fees and fees of other advisers, in connection with this Agreement, the Sale and the Subscription incurred by the Company and the Seller.
- (b) If this Agreement is terminated or if for any reason the Sale is not completed, the Company shall remain liable for any stamp duty, SFC transaction levy or Hong Kong Stock Exchange trading fee to the extent already incurred.

- (c) The Company shall bear and pay, or indemnify the Managers or any Relevant Person (as defined in Clause 13) in respect of, any stamp, withholding, documentary, transfer or other duties or taxes payable or incurred (together with any interest and penalties) by the Company, the Seller or the Managers (or purchasers procured by the Managers) or otherwise imposed on any person on or in connection with the Sale and the Subscription and the execution and delivery of this Agreement and any other tax payable in connection with the consummation of the transactions contemplated and the services rendered or duties performed by any Relevant Person (as defined in Clause 13) pursuant to this Agreement. For the avoidance of doubt, this Clause 8(c) does not apply to (i) any stamp duty, SFC transaction levy or Hong Kong Stock Exchange trading fee incurred in any on-sale of Shares by any Manager as principal to any purchaser as contemplated under Clause 1(e); and (ii) any commission, fee, disbursement paid by any Manager to any of its sub-placing or sub-underwriting agent or selling agent in respect of the Sale, whether appointed under Clause 1(c) or otherwise; and (iii) any liability of a Manager or any Relevant Person finally judicially determined by a court of competent jurisdiction to have resulted directly from (and then only to the extent of) such Manager or such Relevant Person's gross negligence, wilful default or fraud.
- (d) The Settlement Agent shall be entitled to deduct on behalf of the Managers the relevant amounts mentioned in this Clause 8 from the amounts payable to the Seller pursuant to Clause 2. Subject to Clause 2(c), the Managers shall also be entitled to retain for their own account any brokerage fees and commissions that they may receive from the purchasers in accordance with the Relevant Proportion.

9. **REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS OF THE COMPANY AND THE SELLER**

- (a) The Company hereby makes the representations, warranties and undertakings set out in Part A of Schedule 1 to the Managers and the Seller on and as of the date of this Agreement and the Closing Date. The Seller hereby makes the representations, warranties and undertakings set out in Part B of Schedule 1 to the Managers and the Company on and as of the date of this Agreement and the Closing Date.
- (b) The Company and the Seller acknowledge that the Managers are entering into this Agreement in reliance upon each of the representations, warranties and undertakings set out in Part A of Schedule 1 and Part B of Schedule 1. Each of the Company and the Seller shall promptly notify the Managers if at any time on or before the Closing Date any of the representations or warranties set out in Part A of Schedule 1 and Part B of Schedule 1, respectively, ceases to be true and accurate or has become misleading in any respect or in the event that the Company or the Seller (as the case may be) breaches any undertaking or fails to comply with any obligation under this Agreement in any respect.
- (c) The Company shall not, and shall procure that no member of the Group shall, prior to or on the Closing Date do or omit to do anything which may cause any of the representations, warranties and undertakings given by any of the Company and the Seller under this Agreement to be untrue. The Seller shall not, prior to or on the Closing Date do or omit to do anything which may cause any of the representations, warranties and undertakings given by the Seller under this Agreement to be untrue.
- (d) To the extent not delivered together with the Sale Shares on the Closing Date, the Seller shall promptly pay or transfer to the Managers, for the benefit of the purchasers of the Sale Shares, all dividends, distributions and other rights declared, distributed or received in respect of the Sale Shares for which a record date occurs on or after the date of this Agreement.

- (e) Each of the Company and the Seller undertakes, at the Company's expense, to execute or procure to be executed all such documents and do all such acts and things as is necessary in order to give effect to the terms of this Agreement and to enable the sale and purchase of the Sale Shares to be carried out and given full force and effect.
- (f) Each of the Company and the Seller undertakes, except to the extent required by applicable law and save as permitted by this Agreement, not to disclose to any third party or publicly refer to the contents of this Agreement or the transactions contemplated by it before the Closing Date without the prior written consent of the Managers, except that the Company and the Seller may disclose such information to their advisers as necessary in connection with the Sale and the Subscription.
- (g) All payments to be made by the Company or the Seller (as the case may be) to any Relevant Person (as defined in Clause 13) shall be made without withholding or deduction for or on account of any present or future tax unless the Company or the Seller is compelled by law to deduct or withhold such tax. In that event, the Company or the Seller (as the case may be) shall pay such additional amounts as may be necessary in order that the net amounts received after such withholding or deduction shall equal the amounts that would have been received if no withholding or deduction had been made.
- (h) The Company and the Seller shall comply with all applicable laws, rules and regulations (including but not limited to the Listing Rules, the GEM Listing Rules, the Code on Takeovers and Mergers and Share Buyback of the SFC (the "**Takeovers Code**") and the SFO) and all applicable requirements of Hong Kong Stock Exchange, the SFC and any other applicable regulatory body (including all applicable filing, announcement and notice requirements) in connection with the transactions contemplated by this Agreement.
- (i) The Seller undertakes to make and procure Viva China Holdings Limited ("**Viva China**", together with its subsidiaries, the "**Viva Group**") to make all disclosures required under Part XV of the SFO and the GEM Listing Rules in accordance with the provisions thereof.
- (j) The Company and the Seller shall each promptly provide the Managers upon request, with all such information known to it or which on reasonable enquiry ought to be known to it relating to the Company and/or any other member of the Group or otherwise as may be required by any Manager in connection with the transactions contemplated by this Agreement for the purpose of complying with any applicable laws, rules and regulations (including the establishment of any defence to any action under any of the same, whether relating to due diligence or otherwise) or any requirement of Hong Kong Stock Exchange, the SFC or any other applicable regulatory body.
- (k) The Company and the Seller shall each procure that particulars of every significant new factor known to it which is capable of materially and adversely affecting any of the Sale and the Subscription and which arises between the date hereof and the Closing of the Subscription shall be promptly provided to the Managers.
- (l) Without prejudice to the foregoing obligations, the Company and the Seller each undertakes with the Managers that it shall do all such other acts and things as may be reasonably required to be done by it to carry into effect the transactions contemplated by this Agreement in accordance with the terms of this Agreement.

10. **REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS OF THE MANAGERS**

Each Manager hereby makes the representations, warranties and undertakings set out in Schedule 2 to the Company and the Seller on and as of the date of this Agreement and the Closing Date.

11. **ANNOUNCEMENT**

The Seller and the Company shall release or cause to be released for publication, as soon as possible upon the execution of this Agreement, a joint announcement in relation to the transactions contemplated by this Agreement and pursuant to the applicable requirements under the Listing Rules and the GEM Listing Rules (as the case may be) (the "**Post-signing Announcement**"), provided that prior approval of the content and the release of the Post-signing Announcement has been obtained from the Managers (such approval not to be unreasonably withheld or delayed).

12. **LOCK-UP**

- (a) The Seller shall not, and shall procure that none of its nominees, any person controlled by it, any trust associated with it or any person acting on its or their behalf shall, without the prior written consent of the Managers, (i) offer, sell, lend, contract to sell, pledge, grant any option over, make any short sale or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Seller or any Affiliate (as defined below) of the Seller or any person in privity with the Seller or any Affiliate of the Seller), directly or indirectly, any equity securities of the Company or any securities convertible into, or exercisable, or exchangeable for, equity securities of the Company, (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (iii) publicly announce an intention to effect any such transaction, for a period beginning on the date of this Agreement and ending on the date which is 90 days after the Closing Date. The foregoing shall not apply to the sale of the Shares under this Agreement. As used in this Agreement, "Affiliate" shall have the meaning specified in Rule 501(b) of Regulation D under the Securities Act ("**Regulation D**").
- (b) The Company shall not, without the prior written consent of the Managers, (i) effect or arrange or procure placement of, allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for, or enter into any transaction which is designed to, or might reasonably be expected to, result in any of the aforesaid (whether by actual disposition or effective economic disposition due to cash settlement or otherwise), directly or indirectly, any equity securities of the Company or any securities convertible into, or exercisable, or exchangeable for, equity securities of the Company, or (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise, or (iii) publicly announce an intention to effect any such transaction, for a period beginning on the date of this Agreement and ending on the date which is 90 days after the Closing Date. The foregoing shall not apply to (x) the issue of the Subscription Shares under this Agreement, or (y) any grant of share option(s) and any issue of new Share(s) upon exercise of option(s) under the share option scheme adopted by the Company on 30 May 2014.

13. **INDEMNITY**

- (a) The Company agrees to indemnify and hold harmless the Managers (for itself and on trust for each Relevant Person (as defined below)) and their respective Affiliates, and their respective directors, officers, agents and employees and each other person, if any, controlling the Managers (whether within the meaning of Section 15 of the Securities Act or Section 20 of the U.S. Securities Exchange Act of 1934, as amended, or otherwise) or any of its Affiliates (each a "**Relevant Person**") from and against any and all losses, claims, damages, liabilities or expenses which any Relevant Person may suffer or incur or, in each case, actions in respect thereof, related to or arising out of (i) any breach or alleged breach of any of the representations and warranties of the Company and the Seller contained in this Agreement, (ii) any failure or alleged failure of any of the Company and the Seller to perform its obligations under this Agreement or its subject matter or (iii) any Relevant Person's role in connection herewith (including, in each case, actions arising out of any of the Sale and the Subscription contemplated by this Agreement but excluding, in the case of (iii) only, any losses, claims, damages, liabilities or expenses finally judicially determined by a court of competent jurisdiction to have resulted from (and then only to the extent of) such Relevant Person's gross negligence, wilful default or fraud), and the Company shall reimburse any Relevant Person for all properly incurred expenses (including legal fees and any applicable taxes) as they are incurred by such Relevant Person in connection with investigating, preparing or defending any such action or claim, whether or not in connection with a pending or threatened litigation in which such Relevant Person is a party.
- (b) If a Relevant Person is subject to tax in respect of any indemnity payable under this Clause 13, the sum payable shall be increased to such amount as will ensure that after payment of such tax such Relevant Person shall be left with a sum equal to the amount that it would have received in the absence of such charge to tax (after giving credit for any tax relief available in respect of the matter giving rise to the indemnity). The obligations of the Company under this Clause 13 shall be in addition to any liability that the Company or the Seller (as the case may be) may otherwise have.
- (c) Each of the Company and the Seller agrees that none of the Relevant Persons shall have any liability (save for the obligations imposed on any Manager under this Agreement and to the extent any liability resulted directly from any matter finally judicially determined to be caused by the gross negligence, wilful default or fraud on the part of the Relevant Person) to the Company, the Seller or any other person, directly or indirectly, arising out of or in connection with any of the Sale and the Subscription or any transactions contemplated hereby.
- (d) The indemnities contained in Clause 13 shall remain in full force and effect notwithstanding completion of each of the Sale and the Subscription in accordance with the terms and conditions herein contained, shall be in addition to any liability which the Company or the Seller may have and shall extend to include all costs, charges and expenses which any Manager and/or any of the Relevant Persons may reasonably incur or pay in disputing, settling or compromising any matter to which the indemnity might relate and in establishing the right to indemnification pursuant to this clause in respect of any matter. None of the Company and the Seller shall, without the prior written consent of the Managers, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the Relevant Persons are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each Relevant Person from all liability arising out of such claim, action, suit or proceeding.

14. **SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon, and inure solely to the benefit of, the Managers, the Company and the Seller and, to the extent provided herein, any other Relevant Person and their respective heirs, executors, administrators, successors and assigns.

15. **NO THIRD PARTY RIGHTS**

No person shall have any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Ordinance, including, for the avoidance of doubt, any such right or remedy of any Relevant Person (as defined in Clause 13).

16. **LAW, JURISDICTION AND PROCESS AGENT**

(a) This Agreement (and any dispute, controversy or claim of whatever nature arising out of or in any way relating to this Agreement or its formation) shall be governed by and construed in accordance with the laws of Hong Kong. It is agreed by each of the Company and the Seller for the benefit of the Managers that the courts of Hong Kong will have exclusive jurisdiction in relation to this Agreement and each of the Company and the Seller irrevocably submits to the jurisdiction of such courts provided that this submission shall not limit the right of the Managers to take proceedings in any other court of competent jurisdiction.

(b) If a third party, not being a party to this Agreement, commences proceedings against any Relevant Person in any court of competent jurisdiction, arising out of or in connection with this Agreement or the transactions contemplated hereby (the "**Third Party Proceedings**"), nothing in this Clause 16 shall limit the rights of such Relevant Person to join any of the Company and the Seller as a party to such Third Party Proceedings or to otherwise bring proceedings against any of the Company and the Seller in connection with the Third Party Proceedings under this Agreement or otherwise in such courts in the jurisdiction in question, regardless of whether proceedings have been initiated or are ongoing in another jurisdiction. Each of the Company and the Seller irrevocably waives any objection to any such court as is referred to in the foregoing sentence on grounds of inconvenient forum or otherwise with respect to the relevant proceedings and irrevocably agrees that a judgment or order of any such court in connection with such proceedings shall be conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction.

(c)

To the extent that any of the Company and the Seller may in any proceedings in any jurisdiction arising out of or in connection with this Agreement or in any proceedings in any jurisdiction taken for the enforcement of any determination, decision, order or award made in such proceedings claim for itself or its assets, properties or revenues any immunity, sovereign or otherwise, from suit or other legal process including, without limitation, arbitration proceedings and all forms of execution, attachment or enforcement or to the extent that in any such proceedings there may be attributed to itself or its assets, properties or revenues any such immunity (whether or not claimed), each of the Company and the Seller hereby irrevocably waives and agrees not to plead or claim any such immunity in relation to any such proceedings.

17. **MISCELLANEOUS**

(a) Time shall be of the essence of this Agreement.

- (b) The heading to each Clause is included for convenience only and shall not affect the construction of this Agreement.
- (c) In the event any provision of this Agreement is found to be or becomes invalid or unenforceable, no other provision of this Agreement shall thereby be affected and this Agreement shall remain valid and enforceable in respect of all remaining provisions, and any invalid or unenforceable provision will be deemed to be replaced by a provision which as nearly as possible accomplishes the commercial purpose of the original.
- (d) This Agreement constitutes the entire agreement among the parties and supersedes all prior agreements and understandings (whether written or oral) among the Company, the Seller and the Managers with respect to the subject matter of this Agreement.
- (e) This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.
- (f) No variation or waiver to this Agreement shall be effective unless it is in writing and signed by or on behalf of the Company, the Seller and the Managers.
- (g) The indemnities, agreements, undertakings, representations, warranties and other statements of each of the Company and the Seller, as set forth in this Agreement or made by or on its behalf, shall remain in full force and effect and shall survive delivery of and payment for the Sale Shares.
- (h) Notwithstanding and to the exclusion of any other term of this Agreement or any other agreements, arrangements, or understanding between JPM and any of the Seller and the Company, each of the Seller and the Company acknowledges and accepts that a UK Bail-in Liability arising under this Agreement may be subject to the exercise of UK Bail-in Powers by the relevant UK resolution authority, and acknowledges, accepts, and agrees to be bound by:
 - (i) the effect of the exercise of UK Bail-in Powers by the relevant UK resolution authority in relation to any UK Bail-in Liability of JPM to any of the Seller and the Company under this Agreement, that (without limitation) may include and result in any of the following, or some combination thereof:
 - (A) the reduction of all, or a portion, of the UK Bail-in Liability or outstanding amounts due thereon;
 - (B) the conversion of all, or a portion, of the UK Bail-in Liability into shares, other securities or other obligations of JPM or another person, and the issue to or conferral on any of the Seller and the Company of such shares, securities or obligations;
 - (C) the cancellation of the UK Bail-in Liability;
 - (D) the amendment or alteration of any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period;
 - (ii) the variation of the terms of this Agreement, as deemed necessary by the relevant UK resolution authority, to give effect to the exercise of UK Bail-in Powers by the relevant UK resolution authority.

"UK Bail-in Legislation" means Part I of the UK Banking Act 2009 and any other law or regulation applicable in the UK relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

"UK Bail-in Liability" means a liability in respect of which the UK Bail-in Powers may be exercised.

"UK Bail-in Powers" means the powers under the UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or affiliate of a bank or investment firm, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability

- (i) Each of the Company and the Seller acknowledges and agrees that each Manager is acting solely pursuant to a contractual relationship with the Company and the Seller on an arm's length basis with respect to the Sale and the Subscription (including in connection with determining the terms thereof) and that in connection with the Sale and the Subscription and the process leading to such transactions, each Manager has not acted as and is not a financial adviser or a fiduciary of the Company or the Seller or the stockholders, creditors, employees, Affiliates of any of the Company and the Seller or any other party. Each Manager has not assumed and will not assume an advisory or fiduciary responsibility in favour of any of the Company and the Seller with respect to the Sale and the Subscription or the process leading to such transactions (irrespective of whether the Manager has advised or is currently advising any of the Company and the Seller on other matters) and each Manager has no obligation to any of the Company and the Seller with respect to the Sale and the Subscription except the obligations expressly set out in this Agreement. Each of the Company and the Seller further acknowledges and agrees that the Managers and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of any of the Company and the Seller and that the Manager has not provided any legal, accounting, regulatory or tax advice with respect to any of the Sale and the Subscription. Each of the Company and the Seller confirms that it has consulted its own legal, accounting, regulatory and tax advisers to the extent it deemed appropriate. Each of the Company and the Seller waives to the fullest extent permitted by applicable law any claims it may have against the Manager and its Affiliates arising from any alleged breach of fiduciary duty in connection with the Sale and the Subscription.
- (j) The sanctions representations, warranties and undertaking in paragraph (w) in Part A of Schedule 1 or paragraph (o) in Part B of Schedule 1 of this Agreement will not apply to any party hereto to which Council Regulation (EC) No 2271/96 of 22 November 1996 as amended by Commission Delegated Regulation 2018/1100 of 6 June 2018 (or any law or regulation implementing such Regulation in any member state of the European Union or the United Kingdom) (the "**Blocking Regulation**") applies, if and to the extent that they are or would be a violation of any provision of the Blocking Regulation, and references in this Agreement to the representations, warranties, undertakings and agreements shall (insofar as they relate to paragraph (w) in Part A of Schedule 1 or paragraph (o) in Part B of Schedule 1 of this Agreement only) be construed accordingly.

18. **RECOGNITION OF THE U.S. SPECIAL RESOLUTION REGIMES**

- (a) In the event that a Manager that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Manager of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.
- (b) In the event that a Manager that is a Covered Entity or a BHC Act Affiliate of the Manager becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against the Manager are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

In this Clause 18:

"BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"Covered Entity" means any of the following:

- (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"U.S. Special Resolution Regime" means each of (i) the U.S. Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

IN WITNESS WHEREOF this Agreement has been duly executed as of the day and year first before written.

For and on behalf of

LI NING COMPANY LIMITED

By: 

Name: Tsang Wah-Fung, Terence

Title: Chief Financial Officer

IN WITNESS WHEREOF this Agreement has been duly executed as of the day and year first before written.

For and on behalf of

LI NING COMPANY LIMITED

By: _____

Name:

Title:

For and on behalf of

VIVA CHINA DEVELOPMENT LIMITED


By:  _____

Name: Cheung Chi

Title: Authorized Signatory

For and on behalf of

J.P. MORGAN SECURITIES PLC

By: 

Name: Philip Wong

Title: Managing Director

For and on behalf of

NOMURA INTERNATIONAL (HONG KONG) LIMITED

By: _____

Name:

Title:

By: _____

Name:

Title:

For and on behalf of

J.P. MORGAN SECURITIES PLC

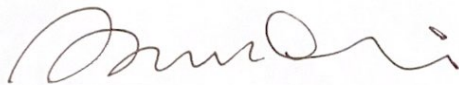
By: _____

Name:

Title:

For and on behalf of

NOMURA INTERNATIONAL (HONG KONG) LIMITED

By:  _____

Name: ERIK TUNG

Title: MANAGING DIRECTOR

By:  _____

Name: MARCELA CHAN

Title: MANAGING DIRECTOR

SCHEDULE 1

Part A

Representations, Warranties and Undertakings of the Company

- (a) The Company has taken all necessary corporate and other actions to authorise the execution, delivery and performance of this Agreement. Without limitation to the generality of the aforesaid, the Company has obtained the requisite shareholders' approval by way of a general mandate for the issue and allotment of the Subscription Shares. This Agreement has been duly executed and delivered by the duly authorised representatives of the Company, and constitutes a legal, valid, binding agreement, enforceable against the Company in accordance with its terms.
- (b) Each member of the Group has been duly incorporated and is validly existing under the laws of its place of incorporation and each member of the Group has power to own its assets and to conduct its business in the manner presently conducted.
- (c) The execution, delivery and performance of this Agreement by the Company does not contravene:
 - (i) its constitutional documents;
 - (ii) any agreement, contract or undertaking to which it (or any of its Affiliates) is a party, or by which it (or any of its Affiliates) or any of its (or its Affiliates') assets is bound; or
 - (iii) any statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over it (including but not limited to the Listing Rules) or the Sale Shares.

Without limitation to the generality of the aforesaid, none of the Company and other members of the Group is subject to any undertakings or obligations (whether regulatory, contractual or otherwise and whether given or undertaken during the course of, or in connection with, the application for listing of the Shares on Hong Kong Stock Exchange or otherwise) which prohibits or restricts the Company from entering into this Agreement, or otherwise prohibits or restricts any of the transactions contemplated hereunder.

- (d) All regulatory, judicial or other consents, approvals, authorisations, orders and qualifications required to be obtained for the execution, delivery and performance of this Agreement by the Company have been obtained and are in full force and effect, except for the Listing Approval that will be obtained by the Company before completion of the Subscription.
- (e) The Sale Shares are validly allotted and issued (and have been allotted and issued more than six months before the date of this Agreement), are fully paid and non-assessable and when delivered to the Managers (or purchasers procured by the Managers or its Affiliates) in accordance with this Agreement will have the same rights as, and rank *pari passu* with, all of the other Shares of the Company of the same class.
- (f) To the best of the knowledge, information and belief of the Company, other than Hong Kong stamp duty, no stamp duty, withholding tax, transfer tax, registration, VAT or any other similar taxes or duties are payable in any Relevant Jurisdictions (defined below) by or on behalf of the Managers or any purchasers of the Sale Shares procured by the Managers in connection with (i) the Sale to the Managers or such purchasers of the Sale Shares, in the manner contemplated in this Agreement or (ii) the execution and delivery of this Agreement. For the purposes of this paragraph (f), "Relevant Jurisdictions" shall mean Hong Kong, the PRC, the Cayman Islands and the British Virgin Islands.

- (g) The Sale Shares are listed/quoted on the Hong Kong Stock Exchange.
- (h) Since 30 June 2021, there has not occurred any material adverse change, or any development reasonably likely to involve a material adverse change, in the condition, financial or otherwise, or in the earnings, assets, business, operations or prospects of the Company, or the Group taken as a whole.
- (i) (i) The Company has made public all information required to be made public by all applicable laws, rules and regulations including the Listing Rules and the SFO, (ii) the information released publicly in Hong Kong, the Cayman Islands and the British Virgin Islands or elsewhere by any member of the Group, including without limitation the annual and interim reports filed with the Hong Kong Stock Exchange, in each case as amended or supplemented (together, the "**Company Disclosure**"), does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading and does not otherwise omit any information which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Group, (iii) except for the Post-signing Announcement, any announcement of a routine nature (which does not contain any contents that may constitute inside information of the Company) or any announcement which does not constitute an inside information announcement under the SFO or Rule 13.09 of the Listing Rules, notifiable transaction announcement under Chapter 14 of the Listing Rules or connected transaction announcement under Chapter 14A of the Listing Rules, no announcement or disclosure is anticipated to be made by the Company within 14 days after the date of this Agreement, (iv) the financial statements included in the Company Disclosure (a) present fairly the financial position of the Company and its consolidated subsidiaries as of the dates shown and the results of operations for the periods shown, (b) have been prepared on a recognised and consistent basis and in conformity with generally accepted accounting principles, standards and practice in Hong Kong and other relevant jurisdiction applied on a consistent basis, (c) comply with the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and all other applicable ordinances, statutes and regulations and show a true and fair view of the state of affairs of the Group and of its results for the period in question, and (v) save as otherwise disclosed by the Company in its publications uploaded on the website of Hong Kong Stock Exchange, no member of the Group is in breach of any laws, rules and regulations or requirements of the Hong Kong Stock Exchange or the SFC (including the Listing Rules and the SFO).
- (j) All information (whether oral, written, electronic or in any other form) supplied by or on behalf of the Company, any other member of the Group or any of their respective officers, directors, employees or advisers, for the purpose of or in connection with the Sale or the Subscription, is and was, when supplied, true and accurate in all material respect and not misleading.
- (k) There is no claim, litigation, arbitration, prosecution or other legal proceedings or investigation or enquiry in progress or pending or threatened against any member of the Group, or any of their respective directors and officers nor is there any claim or any facts or circumstances of a material nature which would give rise to a claim against any member of the Group or any of their respective directors and officers, which in any such case would have or have had a material adverse effect on the condition, financial or otherwise, or in the earnings, net assets, business, operations or prospects (whether or not arising in the ordinary course of business) of any member of the Group or which is material for disclosure in the context of any of the Sale and the Subscription.
- (l) Each member of the Group has obtained all authorisations and licences under any applicable law and regulation that are material in connection with the operation of its business and there is no reason why any such authorisation or licence should be withdrawn or cancelled nor is there any breach by any member of the Group of the provisions of any law or regulation governing such authorisations or licences or otherwise (save for any breach that would not

have any material adverse effect on the condition, financial or otherwise, or in the earnings, net assets, business, operations or prospects of the Company or the Group taken as a whole).

- (m) There is no order, decree or judgement of any court or governmental agency or regulatory body outstanding or, to the best knowledge of the Company, anticipated against any member of the Group which may have or has had a material adverse effect on the condition, financial or otherwise, or in the earnings, net assets, business, operations or prospects of the Company or the Group taken as a whole.
- (n) There has been no petition filed, order made or effective resolution passed for the liquidation or winding up of (i) the Company, or (ii) any other member of the Group which (only in respect of (ii)) is material to the earnings, net assets, business, operations or prospects of the Group taken as a whole.
- (o) No material outstanding indebtedness of any member of the Group has become payable or repayable by reason of any default of any member of the Group and no event has occurred or is impending which may result in such indebtedness becoming payable or repayable prior to its maturity date, in a demand being made for such indebtedness to be paid or repaid or in any step being taken to enforce any security for any such indebtedness of any member of the Group.
- (p) No member of the Group is a party to or under any obligation which is material and which is of an unusual or unduly onerous nature; no member of the Group is in breach of or in default of its constitutional documents or any contract or agreement which may have or has had a material adverse effect upon the condition, financial or otherwise, or in the earnings, net assets, business, operations or prospects (whether or not arising in the ordinary course of business) of any member of the Group or which is material for disclosure in the context of any of the Sale and the Subscription; neither this Agreement nor the transactions contemplated herein will constitute or give rise to a breach of or default under the constitutional documents or any agreement or other arrangement to which any member of the Group is a party or will give rise to any rights of any third party in respect of any assets of the Group.
- (q) There are no material outstanding guarantees or contingent payment obligations of any member of the Group in respect of indebtedness of third parties except as disclosed in the financial statements referred to in (i) which are material in the context of the Sale or the Subscription; and each member of the Group is in compliance with all of its obligations under any outstanding guarantees or contingent payment obligations as described in such financial statements.
- (r) The Company and its subsidiaries own or possess, or can acquire on reasonable terms, adequate patents, patent rights, licences, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, "**Intellectual Property**") necessary to carry on the business now operated by them, and neither the Company nor any of its subsidiaries has received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interest of the Company or any of its subsidiaries therein, and which infringement or conflict (if the subject of any unfavorable decision, ruling or finding) or invalidity or inadequacy, singly or in the aggregate, would result in a material adverse effect on the condition, financial or otherwise, or in the earnings, net assets, business, operations or prospects of the Company or the Group taken as a whole.
- (s) (i) There has been no security breach or incident, unauthorised access or disclosure, or other compromise of or relating to the Company or its subsidiaries information technology and computer systems, networks, hardware, software, data and databases (including the data

and information of their respective customers, employees, suppliers, vendors and any third party data maintained, processed or stored by the Company and its subsidiaries, and any such data processed or stored by third parties on behalf of the Company and its subsidiaries), equipment or technology (collectively, "**IT Systems and Data**"); (ii) neither the Company nor its subsidiaries have been notified of, and each of them has no knowledge of any event or condition that could result in, any security breach or incident, unauthorised access or disclosure or other compromise to their IT Systems and Data; and (iii) the Company and its subsidiaries have implemented appropriate controls, policies, procedures, and technological safeguards to maintain and protect the integrity, continuous operation, redundancy and security of their IT Systems and Data reasonably consistent with industry standards and practices, or as required by applicable regulatory standards. The Company and its subsidiaries are presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorised use, access, misappropriation or modification.

- (t) The Company and its subsidiaries have good and marketable title to all real property owned by them and good title to all other properties owned by them, in each case, free and clear of all mortgages, pledges, liens, charges and encumbrances, equities, security interests or other claims except such as (i) are disclosed by the Company on the website of the Hong Kong Stock Exchange or (ii) do not, singly or in the aggregate, materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company or any of its subsidiaries; and all of the leases and subleases material to the business of the Group taken as a whole are in full force and effect, and neither the Company nor any such subsidiary has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any subsidiary under any of the leases or subleases mentioned above.
- (u) None of the Company, any of its subsidiaries and Affiliates, any of their respective directors, officers, employees or agent and any other persons acting for or on behalf of any of them, has (i) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit; or (iv) violated or is in violation of any provision of any Anti-Corruption Law or engaged in any activity or conduct that would constitute an offence or otherwise committed an offence under any Anti-Corruption Law (as defined below). Each member of the Group, and their respective Affiliates, has instituted, and maintain and enforce, policies and procedures designed to promote and ensure compliance with all Anti-Corruption Law. "**Anti-Corruption Law**" means (i) the OECD Convention of Combating Bribery of Foreign Public Officials in International Business Transactions, 1997, (ii) the Foreign Corrupt Practice Act of 1977 of the United States of America, as amended, and the rules and regulations thereunder, (iii) the Bribery Act 2010 of the United Kingdom, and (iv) any similar applicable laws or regulations in any jurisdiction.
- (v) The operations of each of the members of the Group, and their respective Affiliates are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the Organised and Serious Crimes Ordinance (Chapter 455 of the Laws of Hong Kong), the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Chapter 615 of the Laws of Hong Kong), and any other applicable

anti-money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "**Anti-Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving any member of the Group or any of their respective Affiliates with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

- (w) None of any member of the Group and their respective Affiliates, any of their respective directors, officers or employees and any other persons acting for or on behalf of any of them is or is owned or controlled by a person (including, for the avoidance of doubt, an individual or an entity) ("**Person**") which is (A) the subject or the target of any sanctions administered or enforced by the U.S. Government, (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("**UNSC**"), the European Union, Her Majesty's Treasury ("**HMT**"), or other relevant sanctions authority (collectively, "**Sanctions**"); or (B) operating, located, organized or resident in a country, region or territory that is the subject or the target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria (each, a "**Sanctioned Country**"). For the past 5 years, none of the members of the Group, their respective directors, officers, employees or other person acting for or on their behalf, nor (to the best knowledge of any member of the Group) any of their respective agents, Affiliates or representatives (except for the Managers, as to which no representation is made) has knowingly engaged in or is now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.
- (x) None of the members of the Group or any of their respective Affiliates will, directly or indirectly, use the proceeds from the sale of the Sale Shares or the issue of the Subscription Shares, or lend, contribute or otherwise make available such proceeds to any subsidiaries, joint venture partner or other Person (i) to fund or facilitate any activities or business of or with any Person or in any country or territory, that, at the time of such funding or facilitation, is, or whose government is, the subject of Sanctions, or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Sale and the Subscription, whether as underwriter, placing agent, adviser, investor or otherwise).
- (y) None of the Sale and the Subscription will constitute a violation by any member of the Group and their respective Affiliates (including, without limitation, their respective direct and indirect owners) or any of their respective directors, officers and employees, or other person acting for or on behalf of any of them (together, the "**Company Parties**") of any applicable "insider dealing", "insider trading" or similar legislation, including the provisions under Part XIII of the SFO; none of the Company and Seller Parties is aware of any non-public fact or circumstance (including but not limited to the operational or financial performance of the Group for the six months ended 30 June 2021 or thereafter) that could reasonably be deemed to be material or, if made public, would or might reasonably be expected to have a significant effect upon the market price or trading volume, or both, of the Shares or other securities of the Company.
- (z) The Company is a "foreign issuer" (as defined in Regulation S under the Securities Act ("**Regulation S**")).
- (aa) The Company reasonably believes that there is no "substantial U.S. market interest" (as defined in Regulation S) in the Sale Shares or securities of the Company of the same class as the Sale Shares.
- (bb) None of the Company, nor any of its Affiliates or any person acting on its or their behalf (except for the Managers, as to which no representation is made), directly or indirectly, has made or will make any offers or sales of any security, or has solicited or will solicit offers to

buy, or otherwise has negotiated or will negotiate in respect of, any security, under circumstances that would require the registration of the Sale Shares under the Securities Act.

- (cc) None of the Company, nor any of its Affiliates or any person acting on its or their behalf (except for the Managers, as to which no representation is made) has engaged or will engage in any "directed selling efforts" (as defined in Regulation S) or any form of "general solicitation or general advertising" (within the meaning of Regulation D), with respect to the Sale Shares.
- (dd) None of the Company, nor any of its Affiliates or any person acting on its or their behalf (except for the Managers, as to which no representation is made) has taken or will take, directly or indirectly, any action designed to cause or to result in, or that has constituted or which might reasonably be expected to cause or result in, the stabilisation or manipulation of the price of any securities of the Company, or which otherwise constitutes or might reasonably be expected to constitute "market misconduct" under Part XIII of the SFO or similar laws and regulations; and by entering into this Agreement, the Company is not seeking or intending to create, or expecting there to be created, or will otherwise create, a false, disorderly or misleading market in, or the price or trading volume of, the Shares or any other securities of the Company.
- (ee) None of the Company, nor any of its Affiliates or any person acting on its or their behalf (except for the Managers, as to which no representation is made) has distributed and, prior to the later to occur of (i) the Closing Date and (ii) completion of the distribution of the Sale Shares, none of the Company, nor any of its Affiliates or any person acting on its or their behalf (except for the Managers, as to which no representation is made) shall distribute, any offering or sales materials in connection with the offering and sale of the Sale Shares.
- (ff) The Sale Shares satisfy the eligibility requirements of Rule 144A(d)(3) under the Securities Act.
- (gg) For so long as any Sale Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Company will, during any period in which it is neither subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the Securities Act.
- (hh) For so long as the Sale Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Company will not become an "open-end company", "unit investment trust" or "face-amount certificate company", as such terms are defined in, and that is or is required to be registered under Section 8 of, the Investment Company Act.
- (ii) For so long as the Sale Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Company agrees not to, and will cause its "affiliates" (as defined in Rule 144 under the Securities Act) not to, resell any Sale Shares acquired by it or them in the United States.
- (jj) The Company is exempt from the reporting requirements of the U.S. Securities Exchange Act of 1934, as amended, pursuant to the exception afforded by Rule 12g3-2(b) thereunder.
- (kk) The Company is not required to be registered as an "investment company" under, and as such term is defined in, the United States Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.
- (ll) The Company is not a "covered fund" for purposes of the "Volcker Rule" under section 619 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

- (mm) The Company is not and does not expect to become a "passive foreign investment company" as defined in Section 1297 of the U.S. Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.
- (nn) The Company is a professional investor within a category of person described in section 3(a), (c) and (d) of the Securities and Futures (Professional Investor) Rules under the SFO and has been notified by the Managers that it has been assessed as satisfying the criteria in paragraph 15.3A(b) of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (an "**Eligible Corporate Professional Investor**"), and has read and understood the Professional Investor Treatment Notice (in the form set out in Schedule 3 to this Agreement) and acknowledges and agrees to the representations, waivers and consents contained in the Professional Investor Treatment Notice, in which the expressions "you" or "your" shall mean the Company, and "us" or "our" shall mean the Managers.
- (oo) All statements of fact contained in the Post-Signing Announcement and any announcements published or to be published by the Company in relation to the transactions contemplated under this Agreement are true and accurate and not misleading, and all statements of opinion, intention, expectation or estimates of the directors in relation to the Company and/or any other member(s) of the Group contained therein (if any) are truly and honestly held and have been made on reasonable grounds after due and careful consideration, and there is no other fact or matter omitted therefrom the omission of which would make any statement therein untrue, inaccurate or misleading, or which is otherwise material in the context of any of the Sale and the Subscription.
- (pp) No unissued share capital of any member of the Group is under any option or agreed conditionally or unconditionally to be put under any option and no person has an outstanding warrant, pre-emptive right or any other right of any description to require shares to be allotted or issued by any member of the Group.
- (qq) (i) The Company has not sought any Placees for the Sale or sought to influence or control who might be a Placee, and that, as far as it is aware, none of the Placees and their respective beneficial owners is or will be (A) a substantial shareholder (within the meaning of the Listing Rules) of the Company, (B) otherwise a core connected persons or a connected person (each within the meaning of the Listing Rules) of the Company, (C) acting in concert (within the meaning of the Takeovers Code) with the Seller, any of the parties acting in concert with the Seller, or any of the Company's core connected persons or connected persons, or (D) a close associate or an associate (each within the meaning of the Listing Rules) of the Seller, and the Placees and their respective beneficial owners are independent of, and not connected with the Company, the Seller or any of the above persons; (ii) None of the Company or any of its core connected persons or connected persons has funded or backed (directly or indirectly) the purchase of the Sale Shares by any Placee nor have the Company or any of its core connected persons or connected persons instructed any Placee in relation to the acquisition, disposal, voting or other disposition of securities of the Company; (iii) None of the Company and any of its directors, officers and employees is or has been participating in introducing, screening, selecting or identifying placees for the Sale; and (iv) The Company shall promptly provide, and procure the provision of, all information to the Managers necessary or desirable to enable it to confirm the independence of the Placees. Without limitation to the generality of the aforesaid, the Company shall promptly inform the Managers in writing if it is aware of any intention of any of the persons falling within any of (i)(A) to (D) to purchase, directly or indirectly, any of the Sale Shares in the Sale.
- (rr) To the best of the knowledge, information and belief of the Company, it is not aware any of the representations or warranties set out in Part B of Schedule 1 given by the Seller is not, or ceases to be, true and accurate, or is or has become misleading in any respect.

Part B

Representations, Warranties and Undertakings of the Seller

- (a) The Seller has taken all necessary corporate and other actions to authorise the execution, delivery and performance of this Agreement. This Agreement has been duly executed and delivered by the duly authorised representatives of the Seller, and constitutes a legal, valid, binding agreement, enforceable against the Seller in accordance with its terms.
- (b) The Seller has been duly incorporated and is validly existing under the laws of its place of incorporation and has power to own its assets and to conduct its business in the manner presently conducted.
- (c) The execution, delivery and performance of this Agreement by the Seller does not contravene:
 - (i) its constitutional documents;
 - (ii) any agreement, contract or undertaking to which it (or any of its Affiliates) is a party, or by which it (or any of its Affiliates) or any of its (or its Affiliates') assets is bound; or
 - (iii) any statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over it (including but not limited to the Listing Rules and the GEM Listing Rules, as the case may be) or the Sale Shares.

Without limitation to the generality of the aforesaid, the Seller is not subject to any undertakings or obligations (whether regulatory, contractual or otherwise and whether given or undertaken during the course of, or in connection with, the application for listing of the Shares on Hong Kong Stock Exchange or otherwise) which prohibits or restricts the Seller from entering into this Agreement, or otherwise prohibits or restricts any of the transactions contemplated hereunder.

- (d) All regulatory, judicial or other consents, approvals, authorisations, orders and qualifications required to be obtained for the execution, delivery and performance of this Agreement by the Seller have been obtained and are in full force and effect. Without limitation to the generality of the aforesaid: (i) Viva China Holdings Limited ("**Viva China**") (being the sole legal and beneficial owner of the Seller) has duly obtained a waiver from Hong Kong Stock Exchange (and such waiver remains to be valid) pursuant to which, subject to the disclosure of the details of and the reasons for the waiver in the Post-signing Announcement, Viva China is not required to comply with the requirements applicable to notifiable transactions under the GEM Listing Rules in respect of the Sale, the Subscription and the transactions contemplated thereunder and that no approval from the shareholders of Viva China would be required accordingly; and (ii) the Sale, the Subscription and the transactions contemplated thereunder do not and will not constitute a connected transaction of Viva China under the GEM Listing Rules.
- (e) The Seller has good and valid title to, and the necessary right and power to sell and transfer the Sale Shares, free and clear of all pledges, liens and encumbrances, equities, security interests or other claims (including any non-disposal undertakings or similar obligations) binding upon the Seller; and upon the delivery of the Sale Shares to the Managers (or purchasers procured by the Managers), good and valid title to the Sale Shares, free and clear of all pledges, liens and encumbrances, equities, security interests or other claims, will pass to the Managers (or purchasers procured by the Managers). The Sale Shares are validly allotted and issued (and have been allotted and issued more than six months before the date of this Agreement), are fully paid and non-assessable and when delivered to the Managers (or purchasers procured by the Managers or its Affiliates) in accordance with this Agreement

will have the same rights as, and rank *pari passu* with, all of the other Shares of the Company of the same class.

- (f) Other than Hong Kong stamp duty, no stamp duty, withholding tax, transfer tax, registration, VAT or any other similar taxes or duties are payable in any Relevant Jurisdictions (defined below) by or on behalf of the Managers or any purchasers of the Sale Shares procured by the Managers in connection with (i) the Sale to the Managers or such purchasers of the Sale Shares, in the manner contemplated in this Agreement or (ii) the execution and delivery of this Agreement. For the purposes of this paragraph (f), "Relevant Jurisdictions" shall mean Hong Kong, the PRC, the Cayman Islands and the British Virgin Islands.
- (g) The Sale Shares are listed/quoted on the Hong Kong Stock Exchange.
- (h) All information (whether oral, written, electronic or in any other form) supplied by or on behalf of the Seller or any of its officers, directors, employees or advisers, for the purpose of or in connection with the Sale or the Subscription, is and was, when supplied, true and accurate in all material respect and not misleading.
- (i) There is no claim, litigation, arbitration, prosecution or other legal proceedings or investigation or enquiry in progress or pending or threatened against the Seller, or (to the best of the Seller's knowledge) any of its directors and officers nor is there any claim or any facts or circumstances of a material nature which would give rise to a claim against the Seller or any of its directors and officers, which in any such case would have or have had a material adverse effect on the condition, financial or otherwise, or in the earnings, net assets, business, operations or prospects (whether or not arising in the ordinary course of business) of the Seller or which is material for disclosure in the context of any of the Sale and the Subscription.
- (j) There is no order, decree or judgement of any court or governmental agency or regulatory body outstanding or, to the best knowledge of the Seller, anticipated against the Seller which may have or has had a material adverse effect on the condition, financial or otherwise, or in the earnings, net assets, business, operations or prospects of the Seller.
- (k) There has been no petition filed, order made or effective resolution passed for the liquidation or winding up of the Seller.
- (l) No material outstanding indebtedness of the Seller has become payable or repayable by reason of any default of the Seller and no event has occurred or is impending which may result in such indebtedness becoming payable or repayable prior to its maturity date, in a demand being made for such indebtedness to be paid or repaid or in any step being taken to enforce any security for any such indebtedness of the Seller.
- (m) None of any member of the Viva Group and any of their respective Affiliates, any of their respective directors, officers, employees or agent and any other persons acting for or on behalf of any of them, has (i) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit; or (iv) violated or is in violation of any provision of any Anti-Corruption Law or engaged in any activity or conduct that would constitute an offence or otherwise committed an offence under any Anti-Corruption Law (as defined below). Each member of the Viva Group, and their respective Affiliates, has instituted, and maintain and enforce, policies and procedures designed to promote and ensure compliance with all Anti-Corruption

Law. "**Anti-Corruption Law**" means (i) the OECD Convention of Combating Bribery of Foreign Public Officials in International Business Transactions, 1997, (ii) the Foreign Corrupt Practice Act of 1977 of the United States of America, as amended, and the rules and regulations thereunder, (iii) the Bribery Act 2010 of the United Kingdom, and (iv) any similar applicable laws or regulations in any jurisdiction.

- (n) The operations of each of the members of the Viva Group, and their respective Affiliates are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the Organised and Serious Crimes Ordinance (Chapter 455 of the Laws of Hong Kong), the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Chapter 615 of the Laws of Hong Kong), and any other applicable anti-money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "**Anti-Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving any member of the Viva Group or any of their respective Affiliates with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Seller, threatened.
- (o) None of any member of the Viva Group and their respective Affiliates, any of their respective directors, officers or employees and any other persons acting for or on behalf of any of them is or is owned or controlled by a person (including, for the avoidance of doubt, an individual or an entity) ("**Person**") which is (A) the subject or the target of any sanctions administered or enforced by the U.S. Government, (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("**UNSC**"), the European Union, Her Majesty's Treasury ("**HMT**"), or other relevant sanctions authority (collectively, "**Sanctions**"); or (B) operating, located, organized or resident in a country, region or territory that is the subject or the target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria (each, a "**Sanctioned Country**"). For the past 5 years, none of the members of the Viva Group, their respective directors, officers, employees or other person acting for or on their behalf, nor (to the best knowledge of the Seller) any of their respective agents, Affiliates or representatives (except for the Managers, as to which no representation is made) has knowingly engaged in or is now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.
- (p) None of the members of the Viva Group or any of their respective Affiliates will, directly or indirectly, use the proceeds from the sale of the Sale Shares or the issue of the Subscription Shares, or lend, contribute or otherwise make available such proceeds to any subsidiaries, joint venture partner or other Person (i) to fund or facilitate any activities or business of or with any Person or in any country or territory, that, at the time of such funding or facilitation, is, or whose government is, the subject of Sanctions, or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Sale and the Subscription, whether as underwriter, placing agent, adviser, investor or otherwise).
- (q) None of the Sale and the Subscription will constitute a violation by any member of the Viva Group and their respective Affiliates (including, without limitation, their respective direct and indirect owners) or any of their respective directors, officers and employees, or other person acting for or on behalf of any of them (together, the "**Seller Parties**") of any applicable "insider dealing", "insider trading" or similar legislation, including the provisions under Part XIII of the SFO; none of the Seller Parties is aware of any non-public fact or circumstance that could reasonably be deemed to be material or, if made public, would or might reasonably be expected to have a significant effect upon the market price or trading volume, or both, of the Shares or other securities of the Company.

- (r) None of the Seller, its Affiliates or any person acting on its behalf (except for the Managers, as to which no representation is made), directly or indirectly, has made or will make any offers or sales of any security, or has solicited or will solicit offers to buy, or otherwise has negotiated or will negotiate in respect of, any security, under circumstances that would require the registration of the Sale Shares under the Securities Act.
- (s) None of the Seller, its Affiliates or any person acting on its behalf (except for the Managers, as to which no representation is made) has engaged or will engage in any "directed selling efforts" (as defined in Regulation S) or any form of "general solicitation or general advertising" (within the meaning of Regulation D), with respect to the Sale Shares.
- (t) None of the Seller, its Affiliates or any person acting on its behalf (except for the Managers, as to which no representation is made) has taken or will take, directly or indirectly, any action designed to cause or to result in, or that has constituted or which might reasonably be expected to cause or result in, the stabilisation or manipulation of the price of any securities of the Company, or which otherwise constitutes or might reasonably be expected to constitute "market misconduct" under Part XIII of the SFO or similar laws and regulations; and by entering into this Agreement, the Seller is not seeking or intending to create, or expecting there to be created, or will otherwise create, a false, disorderly or misleading market in, or the price or trading volume of, the Shares or any other securities of the Company.
- (u) None of the Seller, its Affiliates or any person acting on its behalf (except for the Managers, as to which no representation is made) has distributed and, prior to the later to occur of (i) the Closing Date and (ii) completion of the distribution of the Sale Shares, none of the Seller, its Affiliates or any person acting on its behalf (except for the Managers, as to which no representation is made) shall distribute, any offering or sales materials in connection with the offering and sale of the Sale Shares.
- (v) The Sale Shares satisfy the eligibility requirements of Rule 144A(d)(3) under the Securities Act.
- (w) The Seller is a professional investor within a category of person described in section 3(a), (c) and (d) of the Securities and Futures (Professional Investor) Rules under the SFO and has been notified by the Managers that it has been assessed as satisfying the criteria in paragraph 15.3A(b) of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (an "**Eligible Corporate Professional Investor**"), and has read and understood the Professional Investor Treatment Notice (in the form set out in Schedule 3 to this Agreement) and acknowledges and agrees to the representations, waivers and consents contained in the Professional Investor Treatment Notice, in which the expressions "you" or "your" shall mean the Seller, and "us" or "our" shall mean the Managers.
- (x) None of the Sale and the Subscription will have any implications and will not trigger any general offer obligations under the Takeovers Code and, in particular, no waiver under Note 6 to Rule 26 of the Takeovers Code will be required by the Seller or any person acting in concert with the Seller in connection with the transactions contemplated under this Agreement.
- (y) All statements of fact contained in the Post-Signing Announcement and any announcements published or to be published by the Seller in relation to the transactions contemplated under this Agreement are true and accurate and not misleading, and all statements of opinion, intention, expectation or estimates of the directors in relation to the Seller contained therein (if any) are truly and honestly held and have been made on reasonable grounds after due and careful consideration, and there is no other fact or matter omitted therefrom the omission of which would make any statement therein untrue, inaccurate or misleading, or which is otherwise material in the context of any of the Sale and the Subscription.

- (z) (i) The Seller has not sought any Placees for the Sale or sought to influence or control who might be a Placee, and that, as far as it is aware, none of the Placees and their respective beneficial owners is or will be (A) a substantial shareholder (within the meaning of the Listing Rules) of the Company, (B) otherwise a core connected persons or a connected person (each within the meaning of the Listing Rules) of the Company, (C) acting in concert (within the meaning of the Takeovers Code) with the Seller, any of the parties acting in concert with the Seller, or any of the Company's core connected persons or connected persons, or (D) a close associate or an associate (each within the meaning of the Listing Rules) of the Seller, and the Placees and their respective beneficial owners are independent of, and not connected with the Company, the Seller or any of the above persons; (ii) None of the Seller or any of its core connected persons or connected persons has funded or backed (directly or indirectly) the purchase of the Sale Shares by any Placee nor have the Seller or any of its core connected persons or connected persons instructed any Placee in relation to the acquisition, disposal, voting or other disposition of securities of the Company; (iii) None of the Seller and any of its directors, officers and employees is or has been participating in introducing, screening, selecting or identifying placees for the Sale; and (iv) The Seller shall promptly provide, and procure the provision of, all information to the Managers necessary or desirable to enable it to confirm the independence of the Placees. Without limitation to the generality of the aforesaid, the Seller shall promptly inform the Managers in writing if it is aware of any intention of any of the persons falling within any of (i)(A) to (D) to purchase, directly or indirectly, any of the Sale Shares in the Sale.

SCHEDULE 2

Representations, Warranties and Undertakings of the Managers

- (a) It has not offered or sold, and will not offer or sell, any Sale Shares as part of their distribution at any time except:
 - (i) to those persons it reasonably believes to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) within the United States;
or
 - (ii) outside the United States in accordance with Rule 903 of Regulation S.
- (b) Neither it nor any person acting on its behalf has made or will make offers or sales of the Sale Shares in the United States by means of any form of "general solicitation or general advertising" (within the meaning of Regulation D) in the United States.
- (c) Neither it, nor any of its Affiliates nor any person acting on its or their behalf has engaged or will engage in any "directed selling efforts" (as defined in Regulation S) with respect to the Sale Shares.

SCHEDULE 3

Professional Investor Treatment Notice

1. You are a Professional Investor by virtue of being either an Institutional Professional Investor or having been assessed by us as an Eligible Corporate Professional Investor.
2. An "Institutional Professional Investor" is a person described in paragraphs (a) to (i) of the definition of "professional Investors" set out in section 1 of Part 1 of Schedule 1 to the SFO, as follows:
 - (a) any recognized exchange company, recognized clearing house, recognized exchange controller or recognized investor compensation company, or any person authorized to provide automated trading services under section 95(2) of the SFO;
 - (b) any intermediary, or any other person carrying on the business of the provision of investment services and regulated under the law of any place outside Hong Kong;
 - (c) any authorized financial institution, or any bank which is not an authorized financial institution but is regulated under the law of any place outside Hong Kong;
 - (d) any insurer authorized under the Insurance Companies Ordinance (Cap 41), or any other person carrying on insurance business and regulated under the law of any place outside Hong Kong;
 - (e) any scheme which-
 - (i) is a collective investment scheme authorized under section 104 of this Ordinance; or
 - (ii) is similarly constituted under the law of any place outside Hong Kong and, if it is regulated under the law of such place, is permitted to be operated under the law of such place,or any person by whom any such scheme is operated;
 - (f) any registered scheme as defined in section 2(1) of the Mandatory Provident Fund Schemes Ordinance (Cap 485), or its constituent fund as defined in section 2 of the Mandatory Provident Fund Schemes (General) Regulation (Cap 485 sub. leg. A), or any person who, in relation to any such registered scheme, is an approved trustee or service provider as defined in section 2(1) of that Ordinance or who is an investment manager of any such registered scheme or constituent fund;
 - (g) any scheme which-
 - (i) is a registered scheme as defined in section 2(1) of the Occupational Retirement Schemes Ordinance (Cap 426); or
 - (ii) is an offshore scheme as defined in section 2(1) of that Ordinance and, if it is regulated under the law of the place in which it is domiciled, is permitted to be operated under the law of such place,or any person who, in relation to any such scheme, is an administrator as defined in section 2(1) of that Ordinance;
 - (h) any government (other than a municipal government authority), any institution which performs the functions of a central bank, or any multilateral agency; and

- (i) except for the purposes of Schedule 5 to the SFO, any corporation which is-
 - (i) a wholly owned subsidiary of-
 - (A) an intermediary, or any other person carrying on the business of the provision of investment services and regulated under the law of any place outside Hong Kong; or
 - (B) an authorized financial institution, or any bank which is not an authorized financial institution but is regulated under the law of any place outside Hong Kong;
 - (ii) a holding company which holds all the issued share capital of-
 - (A) an intermediary, or any other person carrying on the business of the provision of investment services and regulated under the law of any place outside Hong Kong; or
 - (B) an authorized financial institution, or any bank which is not an authorized financial institution but is regulated under the law of any place outside Hong Kong; or
 - (iii) any other wholly owned subsidiary of a holding company referred to in subparagraph (ii).
3. An "Eligible Corporate Professional Investor" is a trust corporation, corporation or partnership which is assessed by us as satisfying the criteria in paragraph 15.3A(b) of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission and which falls under section 3(a), (c) and (d) of the Securities and Futures (Professional Investor) Rules, as follows:
- (a) a trust corporation having been entrusted with total assets of not less than HK\$40 million (or equivalent) as stated in its latest audited financial statements prepared within the last 16 months, or in the latest audited financial statements prepared within the last 16 months of the relevant trust or trusts of which it is trustee, or in custodian statements issued to the trust corporation in respect of the trust(s) within the last 12 months;
 - (b) a high net worth corporation or partnership having total assets of at least HK\$40 million (or equivalent) or a portfolio of at least HK\$8 million (or equivalent) in securities and/or currency deposits, as stated in its latest audited financial statements prepared within the last 16 months or in custodian statements issued to the corporation or partnership within the last 12 months; and
 - (c) a corporation the sole business of which is to hold investments and which is wholly owned by any one or more of the following persons (i) a trust corporation that falls within paragraph (a) above; (ii) a high net worth individual having, alone or with associates on a joint account, a portfolio of at least HK\$8 million (or equivalent) in securities and/or currency deposits, as stated in a certificate from an auditor or professional accountant or in custodian statements issued to the individual within the last 12 months; and (iii) a corporation or partnership that falls within paragraph (b) above.

We have categorised you as a Professional Investor based on information you have given us. You will inform us promptly in the event any such information ceases to be true and accurate.

4. As a consequence of your categorisation as a Professional Investor, certain requirements may not be applicable (or may be waived or may be agreed otherwise) under the Code and other Hong Kong regulations. While we may in fact do some or all of the following in providing services to you, we have no regulatory responsibility to do so:
 - 4.1 Client agreement

We are not required to enter into a written agreement complying with the Code relating to the services that are to be provided to you.
 - 4.2 Risk disclosures

We are not required to provide you with written risk warnings in respect of the risks involved in any transactions entered into with you, or to bring those risks to your attention.
 - 4.3 Information about us

We are not required to provide you with information about our business or the identity and status of employees and others acting on our behalf with whom you will have contact.
 - 4.4 Prompt confirmation

We are not required to promptly confirm with you the essential features of a transaction after effecting a transaction for you.
 - 4.5 Information about clients

We are not required to establish your financial situation, investment experience or investment objectives, except where we are providing advice on corporate finance work.
 - 4.6 Nasdaq-Amex Pilot Program

If you wish to deal through the Hong Kong Stock Exchange in securities admitted to trading on the Hong Kong Stock Exchange under the Nasdaq-Amex Pilot Program, we shall not provide you with documentation on that program.
 - 4.7 Suitability

We are not required to ensure that a recommendation or solicitation is suitable for you in the light of your financial situation, investment experience and investment objectives.
 - 4.8 Investor characterisation/disclosure of sales related information

We shall not be subject to the requirements of paragraph 5.1A of the Code relating to know your client investor characterisation and paragraph 8.3A of the Code relating to disclosure of sales related information.
5. You have the right to withdraw from being treated as a Professional Investor at any time in respect of all or any investment products or markets on giving written notice to us.
6. By entering into this Agreement, you represent and warrant to us that you are knowledgeable and have sufficient expertise in the products and markets that you are dealing in and are aware of the risks in trading in the products and markets that you are dealing in.
7. By entering into this Agreement, you hereby agree and acknowledge that you have read and understood and have been explained the consequences of consenting to being treated

as a Professional Investor and the right to withdraw from being treated as such as set out herein and that you hereby consent to being treated as a Professional Investor.

8. By entering into this Agreement, you hereby agree and acknowledge that we and the Settlement Agent will not provide you with any contract notes, statements of account or receipts under the Hong Kong Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules where such would otherwise be required.