

**DATE : 3 OCTOBER 2023**

**MADISON HOLDINGS GROUP LIMITED**  
**(as the Issuer)**

**AND**

**SRA HOLDINGS, INC.**  
**(as the Subscriber)**

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**OPTION AGREEMENT**

**in respect of the issue of 85,922,330 Shares by**  
**MADISON HOLDINGS GROUP LIMITED**

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**THIS AGREEMENT** is made on the 3<sup>rd</sup> day of October 2023

**BETWEEN:**

- (1) **MADISON HOLDINGS GROUP LIMITED** 麥迪森控股集團有限公司, a company incorporated in the Cayman Islands with limited liability having its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its head office and principal place of business in Hong Kong at Unit 26-28, 8/F, One Island South, 2 Heung Yip Road, Wong Chuk Hang, Hong Kong (the “**Issuer**”); and
- (2) **SRA HOLDINGS, INC.**, a company incorporated in Japan and whose registered office is at 2-32-8 Minami-Ikebukuro, Toshima-Ku, Tokyo 171-0022(the “**Subscriber**”).

**WHEREAS:**

- (A) As at the date of this Agreement, the Issuer has an authorised share capital of HK\$10,000,000 divided into 1,000,000,000 Shares of HK\$0.01 each, of which 623,127,227 Shares have been issued and are fully paid or credited as fully paid. All the issued Shares are currently listed on GEM of the Stock Exchange (stock code: 8057).
- (B) As at the date of this Agreement, Software Research Associates, Inc., being a direct wholly-owned subsidiary of the Subscriber, is interested in 40,454,545 Shares, representing approximately 6.49% of the entire issued share capital of the Issuer.
- (C) As at the date of this Agreement, Wine Financier Limited (“**Wine Financier**”), being a non-wholly owned subsidiary of the Issuer, is indebted to the Subscriber in the principal amount of JPY1,500,000,000 (the “**Loan**”).
- (D) The Loan was initially due for repayment on 30 September 2021 (the “**Initial Maturity Date**”). By a loan extension agreement (the “**Loan Extension Agreement**”) dated 6 June 2022 and entered into by, among others, the Subscriber, the Issuer and Wine Financier, the Subscriber has agreed to extend the Initial Maturity Date to 30 September 2023 (the “**Extended Maturity Date**”) upon and subject to the terms and conditions of the Loan Extension Agreement.
- (E) On 6 June 2022, the Issuer, as issuer, entered into an option agreement (the “**Old Option Agreement**”) with the Subscriber, as subscriber, pursuant to which the Issuer had conditionally agreed to grant an option (the “**Old Option**”) to the Subscriber entitling the Subscriber to require the Issuer to allot and issue up to a maximum of 85,922,330 option shares at the option price of HK\$1.03 per option share (“**Old Option Price**”) at any time during the period commencing from the date on which all of the conditions precedent set out in the Old Option Agreement are satisfied or waived (as the case may be) and ending at 5:00 p.m. (Hong Kong time) on the Extended Maturity Date (i.e. 30 September 2023) (both days inclusive) (the “**Old Option Period**”). Pursuant to the terms and conditions of the Old Option Agreement,

upon exercise of the Old Option by the Subscriber, the aggregate Old Option Price for the relevant option shares payable by the Subscriber shall be set-off against an equivalent amount of the principal amount of the Loan on a dollar-for-dollar basis.

- (F) Completion of the Old Option Agreement took place on 23 August 2022, of which the Old Option was granted by the Company to the Subscriber on 23 August 2022 in accordance with the terms and conditions of the Old Option Agreement.
- (G) As at the date of this Agreement, the Old Option Period had expired and none of the Old Option had been exercised. Pursuant to the terms and conditions of the Old Option Agreement, the Option (to the extent not already exercised) shall lapse automatically upon the expiry of the Old Option Period.
- (H) As at the date of this Agreement, the total principal amount of the Loan remains outstanding.
- (I) The Issuer has agreed to grant the Option (as defined herein) to the Subscriber pursuant to which the Subscriber shall be entitled to require the Issuer to allot and issue up to a maximum of 85,922,330 new Shares (the “**Option Shares**”) upon and subject to the terms and conditions set out in this Agreement.
- (J) In consideration of the Issuer agreeing to enter into this Agreement, the Subscriber has agreed to further extend the Extended Maturity Date to 30 September 2024 upon and subject to the terms and conditions of the Second Loan Extension Agreement (as defined herein).

**NOW IT IS HEREBY AGREED as follows:**

**1. Definitions and interpretation**

- 1.1 The Schedules form an integral part of this Agreement and shall be construed and have the same full force and effect as if expressly set out in the main body of this Agreement.
- 1.2 The words and expressions set out below shall have the meanings attributed to them below unless the context otherwise requires:

“**Agreement**”                      this option agreement, as amended from time to time

“**Business Day**”                      any day (excluding Saturday, Sunday or public or statutory holiday in Hong Kong and any day on which a tropical cyclone warning No. 8 or above is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours

“**Conditions Precedent**”                      the Conditions Precedent as set out in Clause 3.1

<b>“Deed of Set-Off”</b>	the deed of set-off to be executed among the Subscriber, the Issuer and Wine Financier upon the Option Completion, pursuant to which the parties thereto shall irrevocably and unconditionally agree that the aggregate Option Price for the relevant Option Shares subject to an Option Exercise Notice payable by the Subscriber shall be set off against the equivalent amount of the Loan on a dollar-for-dollar basis, such deed shall be substantially in the form set out in <u>Schedule 5</u>
<b>“Exchange Rate”</b>	any JPY amount to be converted in HK\$, or for any HK\$ amount to be converted in JPY, on the date of the Option Exercise Notice, the mid-point exchange rate for those currencies, as determined and published by The Hong Kong Association of Banks at <a href="http://www.hkab.org.hk/ExchangeRateDisplayAction.do">www.hkab.org.hk/ExchangeRateDisplayAction.do</a>
<b>“Extended Maturity Date”</b>	has the meaning ascribed thereto in Recital (D)
<b>“Further Extended Maturity Date”</b>	30 September 2024, being the further extended maturity date of the Loan under the Second Loan Extension Agreement
<b>“GEM”</b>	GEM of the Stock Exchange
<b>“GEM Listing Committee”</b>	has the meaning ascribed thereto under the GEM Listing Rules
<b>“GEM Listing Rules”</b>	the Rules Governing the Listing of Securities on GEM
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People's Republic of China
<b>“Initial Maturity Date”</b>	has the meaning ascribed thereto in Recital (D)
<b>“Loan”</b>	has the meaning ascribed thereto in Recital (C)
<b>“Loan Extension Agreement”</b>	has the meaning ascribed thereto in Recital (D)
<b>“Lock-up Period”</b>	the period commencing on the first Option Completion Date and ending on the date of expiry of the Option Period (both days inclusive)
<b>“Old Option”</b>	has the meaning ascribed thereto in Recital (E)
<b>“Old Option Agreement”</b>	has the meaning ascribed thereto in Recital (E)

<b>“Old Option Period”</b>	has the meaning ascribed thereto in Recital (E)
<b>“Old Option Price”</b>	has the meaning ascribed thereto in Recital (E)
<b>“Option”</b>	the call option granted by the Issuer to the Subscriber for the allotment and issue of the Option Shares at any time during the Option Period pursuant to Clause 2
<b>“Option Certificate”</b>	an option certificate to be issued by the Issuer to the Subscriber upon the grant of the Option as evidence of title to the Option
<b>“Option Completion”</b>	completion of the subscription for and allotment and issue of, the relevant Option Shares subject to the Option Exercise Notice pursuant to Clause 4 and <u>Schedule 1</u>
<b>“Option Completion Date”</b>	the third Business Day following the date of the Option Exercise Notice (or such other date as may be agreed between the Issuer and the Subscriber in writing)
<b>“Option Exercise Notice”</b>	the notice(s) to be served by the Subscriber for the exercise of the Option during the Option Period, which shall be substantially in the form set out in <u>Schedule 4</u>
<b>“Option Grant Date”</b>	the date of grant of the Option
<b>“Option Period”</b>	the period of one (1) year from the Option Grant Date
<b>“Option Price”</b>	HK\$88,500,000, equivalent to HK\$1.03 per Option Share
<b>“Option Share(s)”</b>	has the meaning ascribed thereto in Recital (I)
<b>“Parties”</b>	mean the Issuer and the Subscriber, and <i>Party</i> shall mean any or one of them as the context shall require
<b>“Second Loan Extension Agreement”</b>	the second loan extension agreement dated 3 October 2023 and entered into by, among others, the Subscriber, the Issuer and Wine Financier, in relation to the further extension of the Extended Maturity Date
<b>“SFC”</b>	the Securities and Futures Commission of Hong Kong
<b>“Share(s)”</b>	ordinary share(s) of HK\$0.01 each in the share capital of the Issuer existing on the date of this Agreement and all other (if any) stock or shares from time to time and for the time being ranking <i>pari passu</i> therewith and all other (if any) shares or stock in the share capital of the Issuer resulting from any sub-division, consolidation or re-classification of Shares

“Shareholder(s)”	holder(s) of the issued Shares
“Specific Mandate”	specific mandate to allot, issue or otherwise deal in additional Shares to be sought from the Shareholders at an extraordinary general meeting to satisfy the allotment and issue of the Option Shares upon the exercise of the Option
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warranties”	the representations, warranties and undertakings under Clause 5.1 and <u>Schedule 2</u>
“Wine Financier”	Wine Financier Limited, being a company incorporated in Hong Kong with limited liability and a non-wholly owned subsidiary of the Issuer as at the date of this Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“JPY”	Japanese Yen, the lawful currency of Japan

- 1.3 References herein to Clauses, the Schedules and the Exhibits are to clauses in, the schedules to and the exhibits to, this Agreement unless the context requires otherwise and the Schedules and the Exhibits to this Agreement shall be deemed to form part of this Agreement.
- 1.4 The expressions the “**Issuer**” and the “**Subscriber**” shall, where the context permits, include their respective successors and personal representatives.
- 1.5 Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing a gender include every gender.
- 1.6 The headings are for convenience only and do not affect the interpretation of this Agreement.

## 2. Grant of Option

- 2.1 (*Grant of Option*) In consideration of the payment of HK\$1.00 by the Subscriber on the date of this Agreement (the receipt and sufficiency of which is hereby acknowledged by the Issuer) and subject to the terms and conditions of this Agreement, the Issuer hereby grants to the Subscriber the Option as evidenced by the Option Certificate, exercisable within the Option Period, to require the Issuer to allot and issue the Option Shares at the Option Price on the terms set out in Schedule 1 upon Option Completion.
- 2.2 (*Exercise of Option*) The Option may be exercised in whole or in part by the Subscriber at any time during the Option Period. To exercise the Option, the Subscriber shall notify the Issuer in writing at any time during the Option Period that it wishes to exercise the Option to subscribe for the Option Shares by giving the Option Exercise Notice to the Issuer and shall specify in such notice the number of the Option Shares it wishes to subscribe and the aggregate Option Price payable for such

Option Shares, which shall be satisfied in accordance with Clause 2.4 below. The Option Exercise Notice, once given, is irrevocable unless otherwise agreed in writing by the Issuer. Upon the receipt of the Option Exercise Notice from the Subscriber, the Subscriber shall be obliged to subscribe and pay for, and the Issuer shall be obliged to allot and issue, the Option Shares on the Option Completion Date.

- 2.3 **(Number of Option Shares)** For the avoidance of doubt, the Option can be exercised in whole or in part in relation to all (or part of) the Option Shares at any time during the Option Period provided that the Option Shares subject to the Option Exercise Notice shall be 5,000,000 Shares or an integral multiple thereof provided that where the Option Shares subject to the Option is less than 5,000,000 Shares, the Option Exercise Notice shall relate to the entire number of such Option Shares.
- 2.4 **(Payment of Option Price)** The aggregate Option Price for the relevant Option Shares subject to an Option Exercise Notice shall be payable by the Subscriber by cash or by way of set off against the equivalent amount of the Loan on a dollar-for-dollar basis until the principal amount of the Loan has been fully set off against the Option Price. For the avoidance of doubt, the amount of cash payable by the Subscriber or the amount of the Loan to be set off against the Option Price shall be calculated in Hong Kong dollars by reference to the Exchange Rate.
- 2.5 **(Ranking)** Upon the exercise of the Option and the payment of the Option Price for the relevant Option Shares subject to an Option Exercise Notice in accordance with Clause 2.4 above, the Issuer shall allot and issue the Option Shares to the Subscriber from all liens, charges, encumbrances or third party rights, interests or claims of any nature whatsoever together with all rights attaching thereto (including the right to receive dividends and other distributions) with effect from the Option Completion Date. The Option Shares, when allotted and issued, shall rank *pari passu* in all respects among themselves and with all other Shares in issue on the date of allotment and issue of the Option Shares.
- 2.6 **(Transferability)** The Option shall not be transferrable and the Subscriber shall not in any way sell, transfer, charge, mortgage, encumber or create any interest whatsoever in favour of any third party over or in relation to the Option or enter into any agreement so to do. Any breach of the foregoing by the Subscriber shall entitle the Issuer to cancel the Option or any party thereof granted to the Subscriber to the extent not already exercised.
- 2.7 **(Effect of alterations to share capital)** In the event of any alteration in the capital structure of the Issuer by way of consolidation, sub-division or reduction of the share capital of the Issuer, such corresponding alterations (if any) will be made in (i) the number of Option Shares subject to the Option or any Option so far as such Option remains unexercised and/or (ii) the Option Price as the auditors or independent financial advisers for the time being of the Issuer shall at the request of the Issuer or the Subscriber certify in writing to be in their opinion fair and reasonable, provided that such alterations shall be made on the basis that the Subscriber shall have the same proportion of the issued share capital of the Issuer to which it was entitled before such alteration and the aggregate Option Price payable by the Subscriber on the full exercise of the Option shall remain as nearly as possible the same as (but not greater than) it was before such event, but so that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value.

2.8 (***Lapse of Option***) The Option (to the extent not already exercised) shall lapse automatically on the earliest of: (a) the expiry of the Option Period; (b) the breach of Clause 2.6; or (c) the date of commencement of the winding-up of the Issuer.

2.9 (***Cancellation of Option***) Save for the occurrence of any breach of Clause 2.6 by the Subscriber, any Option granted but not exercised cannot be cancelled except with the written consent of the Subscriber and prior approval of the board of directors of the Issuer.

### 3. **Conditions Precedent**

3.1 The grant of the Option and the Option Completion are conditional upon the fulfillment or waiver (as the case may be) of the following Conditions Precedent:

- (a) all necessary consents and approvals required to be obtained on the part of the Subscriber in respect of this Agreement and the transactions contemplated hereunder having been obtained and remained in full force and effect;
- (b) all necessary consents and approvals required to be obtained on the part of the Issuer in respect of this Agreement and the transactions contemplated hereunder having been obtained and remained in full force and effect;
- (c) the passing by the Shareholders who are allowed to vote and not required to abstain from voting, at an extraordinary general meeting to be convened and held in accordance with the GEM Listing Rules, of an ordinary resolution to approve, this Agreement and the transactions contemplated hereunder, including but not limited to the grant of the Option and the allotment and issue of the Option Shares under the Specific Mandate, as applicable;
- (d) the GEM Listing Committee of the Stock Exchange shall have granted (either unconditionally or subject to conditions to which neither the Issuer nor the Subscriber shall reasonably object) the listing of and permission to deal in the Option Shares to be issued upon the exercise of the Option;
- (e) the Second Loan Extension Agreement having becoming unconditional (save for the condition for this Agreement to become unconditional); and
- (f) the Warranties remaining true and accurate and not misleading in all material respects.

3.2 The Issuer shall use its reasonable endeavours to ensure that the Conditions Precedent (b), (c), (d) and (f) are fulfilled as early as practicable, and the Subscriber shall use its reasonable endeavours to ensure that the Conditions Precedent (a) and (e) are fulfilled as early as practicable, both in any event not later than 5:00 p.m. on 30 November 2023 or such later date as the Subscriber may agree with the Issuer. The Subscriber may at its absolute discretion at any time waive in writing Condition Precedent (f) and such waiver may be subject to such terms and conditions as may be determined by the Subscriber. Save for Condition Precedent (f), none of the Conditions Precedent is capable of being waived.

3.3 If any of the Conditions Precedent are not fulfilled on or before 5:00 p.m. on 30 November 2023 or such later date as may be agreed between the Subscriber and the Issuer, this Agreement will lapse and become null and void and the Parties shall be released from all obligations hereunder, save the liabilities for any antecedent breaches hereof.

#### **4. Option Completion**

4.1 Subject to fulfillment or waiver (as the case may be) of the Conditions Precedent and exercise of the Option, Option Completion shall take place at 3:00 p.m. on the Option Completion Date and each Party shall perform its respective obligations set out in Schedule 1.

#### **5. Warranties**

5.1 The Issuer hereby represents, warrants and undertakes to the Subscriber in the terms set out in this Clause 5 and Schedule 2 as at the date hereof and the Issuer hereby agrees and acknowledges that the Subscriber is entering into this Agreement in reliance on the Warranties.

5.2 Notwithstanding any provision herein, the liability of the Issuer in connection with the Warranties or this Agreement shall cease on the expiration of three months after the Option Completion Date.

5.3 If the Issuer or the Subscriber considers that an adjustment should be made to the Option Price or the whole of the Option Shares as a result of the reorganisation of the share capital of the Issuer or any change in the share capital of the Issuer (including but not limited to the sub-division or consolidation of the Shares), the Issuer shall at its own expense request the auditors for the time being of the Issuer or an independent financial adviser to determine (acting as experts) as soon as practicable what adjustment (if any) to the Option Price or the whole of the Option Shares is fair and reasonable to take account thereof, and the date on which such adjustment should take effect and upon such determination, such adjustment (if any) shall be made and shall take effect in accordance with such determination. The costs and expenses for such certification shall be borne by the Issuer.

#### **6. Undertaking**

6.1 Subject to fulfillment or waiver (as the case may be) of the Conditions Precedent and exercise of the Option, the Subscriber undertakes and warrants to the Issuer that during the Lock-up Period, it will not and shall procure its nominee(s) (where applicable) not to sell, transfer, dispose of or enter into any agreement have similar effect or otherwise create any options, rights, interests or encumbrances in respect of any of the Option Shares without prior written approval from the Issuer.

#### **7. Confidentiality**

7.1 Each of the Parties hereto undertakes to the other that he/she/it will not, at any time after the date of this Agreement, divulge or communicate to any person other than to his/her/its professional advisers, or when required by law or any rule of any relevant stock exchange body, or to his/her/its respective officers or employees whose province

it is to know the same any confidential information concerning the business, accounts, finance or contractual arrangements or other dealings, transactions or affairs of any of the others which may be within or may come to his/her/its knowledge and he/she/it shall use his/her/its best endeavours to prevent the publication or disclosure of any such confidential information concerning such matters.

- 7.2 No public announcement or communication of any kind shall be made in respect of the subject matter of this Agreement unless specifically agreed between the Parties or unless an announcement is required pursuant to the applicable law and the regulations or the requirements of the Stock Exchange, SFC or any other regulatory body or authority. Any announcement by any Party required to be made pursuant to any relevant law or regulation or the requirements of the Stock Exchange, SFC or any other regulatory body or authority shall be issued only after such prior consultation with the other Parties as is reasonably practicable in the circumstances.

## **8. Notices**

- 8.1 Any notice required or permitted to be given by or under this Agreement shall be in writing in the English or Chinese language and shall be sufficiently given if delivered personally or forwarded by registered post or courier to the relevant party at his/her/its address or sent by facsimile transmission to the fax number set out below (or such other address or fax number as the addressee has by five (5) days prior written notice specified to the other Parties):

### **To the Issuer**

Address : Unit 26-28, 8/F, One Island South, 2 Heung Yip Road,  
Wong Chuk Hang, Hong Kong

Fax Number : (852) 2200 9199

### **To the Subscriber**

Address : 2-32-8 Minami-Ikebukuro, Toshima-Ku, Tokyo 171-0022

Fax Number : 81-3-5979-2667

- 8.2 Any notice delivered personally or by courier shall be deemed to have been served at the time of delivery. Any notice sent by pre-paid registered post shall be deemed to have been served 48 hours after the time at which it was posted and in proving such service it shall be sufficient to prove that the notice was properly addressed and posted by prepaid registered letter post and notices sent by facsimile transmission shall be deemed to have been served upon transmission.

## **9. Costs and expenses**

- 9.1 Each Party shall bear its own legal, accountancy and other costs and expenses incurred in connection with the preparation, negotiation and settlement of this Agreement.
- 9.2 The Issuer shall bear all capital fees and stamp duty (if any) relating to the allotment and issue of the Option Shares upon exercise of the Option.

**10. General provisions**

- 10.1 As regards any date or period, time shall be of the essence of this Agreement.
- 10.2 Each Party undertakes to the other to execute or procure to be executed all such documents and to do or procure to be done all such other acts and things as may be reasonable and necessary to give all Parties the full benefit of this Agreement.
- 10.3 This Agreement shall be binding on and ensure for the benefit of the successors of each of the Parties and shall not be assignable without the prior written consent of the other Parties.
- 10.4 The exercise of or failure or delay to exercise any right or remedy in respect of any breach of this Agreement shall not, save as provided herein, constitute a waiver by such party of any other right or remedy it may have in respect of that breach.
- 10.5 This Agreement constitutes the entire agreement between the Parties with respect to its subject matter (no party having relied on any representation or warranty made by any other Party which is not contained in this Agreement) and no variation of this Agreement shall be effective unless made in writing and signed by all of the Parties.
- 10.6 This Agreement supersedes all and any previous agreements, arrangements or understanding between the Parties relating to the matters referred to in this Agreement and all such previous agreements, understanding or arrangements (if any) shall cease and determine with effect from the date hereof and no party shall have any claim in connection therewith.
- 10.7 If at any time any provision of this Agreement is or becomes illegal, void or unenforceable in any respect, the remaining provisions hereof shall in no way be affected or impaired thereby.
- 10.8 This Agreement shall not be amended, supplemented or modified except by instruments in writing signed by all Parties hereto.

**11. Governing law and arbitration**

- 11.1 This Agreement shall be governed by and construed in accordance with the laws of Hong Kong.
- 11.2 In the event any dispute arises between the Parties out of or in relation to this Agreement, the Parties shall in the first instance use all reasonable endeavors to attempt to resolve such dispute through friendly consultation. In case no settlement can be reached through friendly consultations among the Parties within 60 days of the submission of such matter by one Party to the other Parties, then such dispute shall be referred and submitted to the Hong Kong International Arbitration Center (HKIAC) for settlement by arbitration in Hong Kong in accordance with rules in force at the time of initiation of the arbitration.

- 11.3 The number of arbitrator shall be one, and such arbitrator shall be fluent in English, Japanese and Chinese Mandarin (putonghua). The arbitrator shall be jointly selected by the Parties, or selected by the Chairman of the HKIAC where the Parties fail to reach an agreement within 35 days after the submission of the dispute to HKIAC.
- 11.4 All proceedings in any such arbitration shall be conducted in English. For the avoidance of doubt, if any document and/or evidence related to the arbitration is presented or submitted in Chinese and/or Japanese languages, translation of such document and/or evidence is not mandatory.
- 11.5 The arbitration award shall be final and binding on the Parties. The cost of arbitration shall be borne by the losing Party. When any dispute occurs and when any dispute is under arbitration, except for the matters under dispute, the Parties shall continue to exercise their remaining respective rights, and fulfill their remaining respective obligations under this Agreement.

## **12. Counterparts**

- 12.1 This Agreement may be executed by the Parties hereto in any number of counter parts and on separate counterparts, each of which when so executed shall be deemed an original but all of which shall constitute one and the same instrument and is binding on all Parties.

## **13. Third-party Rights**

- 13.1 Unless expressly provided to the contrary in this Agreement, a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any of the terms of this Agreement, and whether so provided in this Agreement or not, no consent of third party is required for the amendment to (including the waiver or compromise of any obligation), rescission of or termination of this Agreement.

## **Option Completion Requirements**

On each Option Completion Date:

### **1. Obligations of the Subscriber**

The Subscriber shall:

- (a) procure the delivery to the Issuer of an Option Exercise Notice duly signed by the Subscriber substantially in the form set out in Schedule 4; and
- (b) procure the delivery to the Issuer of a Deed of Set-Off substantially in the form set out in Schedule 5 duly signed by the Subscriber, pursuant to which the Issuer and the Subscriber shall irrevocably and unconditionally agree that the aggregate Option Price for the relevant Option Shares subject to an Option Exercise Notice shall be payable by the Subscriber by way of set-off against the equivalent amount of the Loan on a dollar-for-dollar basis.

### **2. Obligations of the Issuer**

The Issuer shall:

- (a) allot and issue to the Subscriber the number of Option Shares specified in the relevant Option Exercise Notice credited as fully paid and shall procure that the Subscriber (and/or its nominee(s)) be registered in the register of members of the Issuer as the holder of such Option Shares; and
- (b) procure that within seven (7) Business Days after the Option Completion Date, deliver to the Subscriber definitive share certificate(s) in respect of the Option Shares in the denomination(s) of 5,000,000 Option Shares each or an integral multiple thereof (provided that in the event that the number of the Option Shares subject to the Option Exercise Notice is less than 5,000,000 Shares, such share certificate shall relate to the entire number of such Option Shares) issued in the name of the Subscriber (and/or its nominee(s)) and in accordance with instructions given in the application to be delivered as referred to above.

## **Schedule 2**

### **Warranties**

1. Subject to the fulfillment of the Conditions Precedent, the Issuer has the authority to enter into and perform this Agreement and that in entering into this Agreement, the Issuer does not do so in breach of any existing obligation or applicable legislation.
2. Subject to the fulfillment of the Conditions Precedent, all necessary consents authorisations and approvals of and all necessary registrations and filings with any governmental or regulatory agency or body required in Hong Kong, the Cayman Islands or elsewhere for or in connection with this Agreement and the Option and the performance of the terms thereof have been obtained or made or will have been obtained or made by Option Completion.
3. As at the date of this Agreement, there were no options, rights to acquire, or any other form of security or encumbrance on, over or affecting any part of the unissued share capital of the Issuer and there was no agreement or commitment to give or create any of the foregoing and no claim had been made by any person to be entitled to any of the foregoing.
4. The particulars relating to the share capital of the Issuer in Recital (A) of this Agreement are correct and accurate and, subject to the fulfillment of the Conditions Precedent, the Issuer will on Option Completion have sufficient authorised share capital to satisfy its obligations under the Option.
5. The Issuer is deemed to have repeated all the Warranties on the basis that such Warranties will at all times from the date of this Agreement up to and including the date of each Option Completion be true, complete and accurate in all respects and such Warranties shall have effect as if given at Option Completion as well as the date of this Agreement.

Schedule 3

Option Certificate

**MADISON HOLDINGS GROUP LIMITED**

**麥迪森控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8057)**

**OPTION CERTIFICATE**

THIS IS TO CERTIFY that the undermentioned person is the holder of the option (the “**Option**”) to subscribe for up to the number of ordinary shares of HK\$0.01 each (the “**Share(s)**”) in the share capital of Madison Holdings Group Limited (the “**Company**”) as described below at the undermentioned option price per Share at any time during the Option Period, upon and subject to the terms and conditions of the option agreement (the “**Option Agreement**”) made on 3 October 2023 between the Company and SRA Holdings, Inc., and also subject to the special conditions (if any) as mentioned below. Words and expressions used in this Option Certificate have the same meaning given to them in the Option Agreement.

Option-holder (the “**Option-holder**”) : SRA Holdings, Inc.

Maximum number of Shares to be allotted and issued upon the exercise of the Option : Up to 85,922,330 Shares

Option price : HK\$1.03 per Share

Option Period : Subject to the terms and conditions of the Option Agreement, the period of one (1) year from the date of grant of the Option

GIVEN this the     day of                     2023

For and on behalf of  
**MADISON HOLDINGS GROUP LIMITED**

\_\_\_\_\_  
Name:  
Position: Director

*Notes:*

- (1) The Option may be exercised from time to time during the Option Period in accordance with and subject to the terms and conditions of the Option Agreement and by the Option-holder delivering to the Company an Option Exercise Notice stating therein the number of the Option Shares it wishes to subscribe and the aggregate Option Price payable for such Option Shares, and such notice, once given, shall be irrevocable.*
- (2) Any adjustments (including adjustments to the number and par value of Shares which may be subscribed under the Option) shall become effective upon the same being determined by the board of directors of the Company and shall be binding on the Option-holder.*
- (3) The Options are not transferable or assignable.*



**Schedule 4**

**Option Exercise Notice**

Date: [•]

Madison Holdings Group Limited  
Unit 26-28, 8/F,  
One Island South,  
2 Heung Yip Road,  
Wong Chuk Hang, Hong Kong

Dear Sirs,

**Exercise of Option**

We refer to the option agreement (the “**Option Agreement**”) made on 3 October 2023 between Madison Holdings Group Limited (the “**Company**”) and SRA Holdings, Inc. (“**SRA**”). Words and expressions used in this Notice have the same meaning given to them in the Option Agreement.

We hereby give notice of exercise of the Option provided in the Option Agreement and require the Company to allot and issue [\*] Option Shares at the aggregate Option Price of HK\$[\*] to SRA in accordance with the Option Agreement and subject to the memorandum of association and articles of association of the Company.

We have complied with the obligations set out in Schedule 1 of the Option Agreement and request the Company to register [our name] on the register of members of the Company at the Company’s branch share registrar and transfer office in Hong Kong in accordance with the memorandum of association and articles of association of the Company.

<b>Registered Owner</b>	<b>Address</b>	<b>No. of Shares</b>
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[•]	[•]	[•]
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You are authorised and requested to deliver the share certificates for the Option Shares to us.

In consideration of the allotment and issue of the Option Shares to us, we confirm that we are exercising the Option as principal and not as nominee or agent.

Yours faithfully,

For and on behalf of  
**SRA Holdings, Inc.**

\_\_\_\_\_  
Name:  
Director

**Schedule 5**

**Deed of Set-Off**

**DATE:** \_\_\_\_\_

**SRA HOLDINGS, INC.**  
**(as the Lender)**

**AND**

**WINE FINANCIER LIMITED**  
**(as the Borrower)**

**AND**

**MADISON HOLDINGS GROUP LIMITED**

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**DEED OF SET-OFF**

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**THIS DEED is made on the    day of**

**BETWEEN:**

- (1) **SRA HOLDINGS, INC.**, a company incorporated in Japan and whose registered office is at 2-32-8 Minami-lkebukuro, Toshima-Ku, Tokyo 171-0022 (the “**Lender**”);
- (2) **WINE FINANCIER LIMITED**, a company incorporated in Hong Kong with limited liability whose registered address is at Unit 26-28, 8/F, One Island South, 2 Heung Yip Road, Wong Chuk Hang, Hong Kong (the “**Borrower**”); and
- (3) **MADISON HOLDINGS GROUP LIMITED 麥迪森控股集團有限公司**, a company incorporated in the Cayman Islands with limited liability having its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its head office and principal place of business in Hong Kong at Unit 26-28, 8/F, One Island South, 2 Heung Yip Road, Wong Chuk Hang, Hong Kong (the “**Company**”),

collectively known as, the “**Parties**”, and *Party* shall mean any or one of them as the context shall require.

**WHEREAS:**

- (A) On 3 October 2023, the Lender and the Company entered into an option agreement (the “**Option Agreement**”), pursuant to which an option (the “**Option**”) was granted to the Lender which entitled the Lender to require the Company to allot and issue up to a maximum of 85,922,330 new Shares (“**Option Share(s)**”) at the price of HK\$1.03 per Option Share (the “**Option Price**”) pursuant to the terms and conditions of the Option Agreement.
- (B) As at the date of this Deed, the Borrower was indebted to Lender in in the principal amount of JPY1,500,000,000 (the “**Loan**”).
- (C) Pursuant to the terms and conditions of the Option Agreement, the Lender and the Company agrees that upon the exercise of the Option by the Lender, the aggregate Option Price for the relevant Option Shares payable by the Lender shall be set off against the equivalent amount of the Loan on a dollar-for-dollar basis.
- (D) On [\*], the Lender gave notice to the Company of the exercise of the Option and require the Company to allot and issue [\*] Option Shares at the aggregate Option Price of HK\$[\*] to the Lender. The Lender and the Company agreed that the aggregate Option Price of HK\$[\*] payable by the Lender to the Company shall be offset against the principal amount of the Loan in an equivalent sum of HK\$[\*] on a dollar-for-dollar basis in the manner as set out in this Deed.

**NOW THIS DEED WITNESSES** as follows:

**1. INTERPRETATION**

- 1.1 In this Deed, the expression “**this Deed**” shall mean this Deed, as amended from time to time.

- 1.2 The headings of this Deed are inserted for convenience only and shall be ignored in construing this Deed. Unless the context otherwise requires, references in this Deed to the singular shall be deemed to include references to the plural and vice versa; references to one gender shall include all genders and reference to any person shall include an individual, firm, body corporate or unincorporate.
- 1.3 The parties hereto hereby acknowledge that the matters stated in the recitals to this Deed are true and correct in all respects. Reference herein to Clauses is to clauses in this Deed unless the context requires otherwise.

**2. SET-OFF**

- 2.1 Each of the parties hereto acknowledges, confirms and agrees that the aggregate Option Price of HK\$[\*] payable by the Lender to the Company upon the exercise of the Option shall be set off against the principal amount of the Loan in an equivalent sum of HK\$[\*] on a dollar-to-dollar basis effective from the date of this Deed.
- 2.2 The Lender acknowledges and confirms that the Borrower shall be and had been deemed to have fully settled the principal amount of the Loan in the sum of HK\$[\*] as at the date of this Deed.

**3. MISCELLANEOUS**

- 3.1 This Deed shall enure to the benefit of and be binding on each party hereto and its respective successors and permitted assigns provided that none of the parties hereto shall assign or transfer or purport to assign or transfer any of its rights or obligations hereunder without the prior consent of the other parties hereto.
- 3.2 This Deed may be executed in any number of counterparts and by the different parties to this Deed on separate counterparts, each of which when executed and delivered shall be an original but all the counterparts shall together constitute one and the same instrument.

**4. GOVERNING LAW AND ARBITRATION**

- 4.1 This Deed shall in all respects be governed by and construed in accordance with the laws of Hong Kong (“**Hong Kong**”) Special Administrative Region of the People’s Republic of China.
- 4.2 In the event any dispute arises between the Parties out of or in relation to this Deed, the Parties shall in the first instance use all reasonable endeavors to attempt to resolve such dispute through friendly consultation. In case no settlement can be reached through friendly consultations among the Parties within 60 days of the submission of such matter by one Party to the other Parties, then such dispute shall be referred and submitted to the Hong Kong International Arbitration Center (HKIAC) for settlement by arbitration in Hong Kong in accordance with rules in force at the time of initiation of the arbitration.
- 4.3 The number of arbitrator shall be one, and such arbitrator shall be fluent in English, Japanese and Chinese Mandarin (putonghua). The arbitrator shall be jointly selected

by the Parties, or selected by the Chairman of the HKIAC where the Parties fail to reach an agreement within 35 days after the submission of the dispute to HKIAC.

- 4.4 All proceedings in any such arbitration may be conducted in English. For the avoidance of doubt, if any document and/or evidence related to the arbitration is presented or submitted in Chinese and/or Japanese languages, translation of such document and/or evidence is not mandatory.
- 4.5 The arbitration award shall be final and binding on the Parties. The cost of arbitration shall be borne by the losing Party. When any dispute occurs and when any dispute is under arbitration, except for the matters under dispute, the Parties shall continue to exercise their remaining respective rights, and fulfill their remaining respective obligations under this Deed.

## **5. THIRD-PARTY RIGHTS**

- 5.1 Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any of the terms of this Deed, and whether so provided in this Deed or not, no consent of third party is required for the amendment to (including the waiver or compromise of any obligation), rescission of or termination of this Deed.

IN WITNESS whereof this Deed has been duly executed by all parties hereto as a deed the day and year first above written

**THE LENDER**

EXECUTED AS A DEED by )  
affixing the COMMON SEAL of )  
SRA HOLDINGS, INC. )  
and SIGNED by )  
in the presence of: )

Witness signature: \_\_\_\_\_

Witness name: \_\_\_\_\_

**THE BORRWER**

EXECUTED AS A DEED by )  
affixing the COMMON SEAL of )  
WINE FINANCIER LIMITED )  
and SIGNED by )  
in the presence of: )

Witness signature: \_\_\_\_\_

Witness name: \_\_\_\_\_

**THE COMPANY**

**EXECUTED AS A DEED** by )  
affixing the **COMMON SEAL** of )  
 )  
**MADISON HOLDINGS GROUP LIMITED** )  
 )  
and **SIGNED** by )  
 )  
in the presence of: )

Witness signature: \_\_\_\_\_

Witness name: \_\_\_\_\_

IN WITNESS whereof this Agreement has been duly executed on the date first above written.

**THE ISSUER**

SIGNED by )  
duly authorised for and on behalf of )  
MADISON HOLDINGS GROUP LIMITED )  
in the presence of: )



Witness signature: \_\_\_\_\_  
Name of witness: \_\_\_\_\_

**THE SUBSCRIBER**

SIGNED by )  
duly authorised for and on behalf of )  
SRA HOLDINGS, INC. )  
in the presence of: )

Witness signature: \_\_\_\_\_  
Name of witness: \_\_\_\_\_

IN WITNESS whereof this Agreement has been duly executed on the date first above written.

**THE ISSUER**

SIGNED by )  
duly authorised for and on behalf of )  
**MADISON HOLDINGS GROUP LIMITED** )  
in the presence of: )

Witness signature: \_\_\_\_\_  
Name of witness: \_\_\_\_\_

**THE SUBSCRIBER**

SIGNED by )  
duly authorised for and on behalf of )  
**SRA HOLDINGS, INC.** )  
in the presence of: )



Witness signature: \_\_\_\_\_  
Name of witness: \_\_\_\_\_