

DATE: 08 NOVEMEBR 2023

SINOPHARM TECH HOLDINGS LIMITED
(as the Borrower)

AND

QUANTUM WORLDWIDE INVESTMENT LIMITED
(as the Lender)

LOAN AGREEMENT
FOR A TERM LOAN FACILITY
OF HK\$20,000,000.00

THIS LOAN AGREEMENT is made on the 08 NOVEMBER 2023

BETWEEN:-

- (1) **SINOPHARM TECH HOLDINGS LIMITED**, a company incorporated in Cayman Islands whose shares listed on the GEM of The Stock Exchange of Hong Kong Limited (stock code: 8156) and having its principal office at Unit 1802, 18/F, Ruttonjee House, Ruttonjee Centre, 11 Duddell Street, Central, Hong Kong (the “**Borrower**”) of the one part; and
- (2) **QUANTUM WORLDWIDE INVESTMENT LIMITED**, a company incorporated in British Virgin Islands and having its corresponding address at 21/F., 88 Gloucester Road, Wanchai, Hong Kong (the “**Lender**”) of the other part.

WHEREAS the Borrower has requested the Lender to make available to the Borrower a term loan facility of **HK\$20,000,000** (*Hong Kong Dollars Twenty Million only*) and the Lender has agreed to do so subject to and upon the terms and conditions of this Agreement.

IT IS HEREBY AGREED as follows:-

1. INTERPRETATION

- 1.1 In this Agreement (including the Schedule(s)), the following expressions shall, except where the context otherwise requires, have the meanings attributed to them respectively below:

“**Availability Period**” the period commencing on the date of this Agreement and ending on the first to occur of (i) **three hundred and sixty five (365)** calendar days thereafter; or (ii) the date on which the Loan is fully drawn, cancelled or terminated in accordance with the provisions of this Agreement;

“**Business Day**” a day (excluding Saturday and Sunday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours;

“**Drawdown Date(s)**” the date on which the Loan is advanced by the Lender to the Borrower pursuant to the terms hereof;

“**Encumbrance**”

- (a) any mortgage, charge, pledge, lien, encumbrance, hypothecation or other security interest or security arrangement of any kind;
- (b) any arrangement whereby any rights are subordinated to any rights of any third party; and
- (c) any contractual right of set-off;

“**Event of Default**” any event or circumstance specified as such in Clause 13; and “prospective Event of Default” means any event

or circumstance which with the giving of notice, the passage of the time, any determination of materiality or the satisfaction of any applicable condition (or any combination of them) would reasonably be expected to become an Event of Default;

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

“Interest Payment Date” means the last day of Interest Period;

“Interest Period” means, in relation to an advance or the Loan, an interest period ascertained in accordance with Clause 5;

“GEM Listing Rules” means the Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended from time to time;

“Loan” the principal amount up to **HK\$20,000,000** (*Hong Kong Dollars Twenty Million only*) to be advanced by the Lender to the Borrower subject to and upon the terms and conditions of this Agreement, or as the case may be, the aggregate amount outstanding, at any relevant time, of all moneys owing to the Lender in respect of and under this Agreement;

“Memorandum” the memorandum made pursuant to the Money Lenders Ordinance (Cap. 163 of the Laws of Hong Kong) in the form set out in the Schedule 3;

“Notice of Drawing” the notice of drawing in the form set out in the Schedule 2;

“Repayment Date” the date falling **six (6) Months** after each drawing date (if that date is not a Business Day, such date shall be the next Business Day), or where relevant, the date referred to in Clause 6.4 or Clause 7.1 or Clause 13.2 when the Loan and all money payable under this Agreement shall be due and payable;

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“HK\$” Hong Kong dollars, the lawful currency for the time being of Hong Kong.

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

- (a) an **“authorisation”** includes any approvals, consents, licences, permits, franchises, permissions, registrations, resolutions, directions, declarations and exemptions;

- (b) “**indebtedness**” includes any obligation of any person for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent, including but not limited to, any such obligation :-
- (1) under or in respect of any acceptance, bill, bond, debenture, note or similar instrument;
 - (2) under or in respect of any guarantee, indemnity, counter-security or other assurance against financial loss;
 - (3) in respect of the purchase, hire or lease of any asset or service; or
 - (4) in respect of any indebtedness of any other person whether or not secured by or benefiting from an Encumbrance on any property or asset of such person;
- (c) “**laws**” and/or “**regulations**” includes any constitutional provisions, treaties, conventions, statutes, acts, laws, decrees, ordinances, subsidiary and subordinate legislation, orders, rules and regulations having the force of law and rules of civil and common law and equity, directives, instructions, notifications, circulars, policy statements and guidelines (whether or not having the force of laws) and other similar authorities;
- (d) an “**order**” includes any judgment, injunction, decree, determination or award of any court, arbitration or administrative tribunal;
- (e) a “**person**” includes any individual, company, body corporate or unincorporate or other juridical person, partnership, firm, joint venture, association, unit or trust or any federation, state or subdivision thereof or any government or agency of any thereof;
- (f) “**subsidiary**” and “**holding company**” shall have the respective meanings ascribed thereto under Section 2 of the Companies Ordinance, Cap 32 of the Laws of Hong Kong; and
- (g) “**tax**” includes any present or future tax, levy, duty, charge, impost, fee, deduction or withholding of any nature and whatever called, by whomsoever, on whomsoever and wherever imposed, levied, collected, withheld or assessed by any taxing or other authority and includes any interest, penalty or other charge payable or claimed in respect thereof and “**taxation**” shall be construed accordingly.

1.3 The headings in this Agreement are inserted for convenience only and shall be ignored in construing this Agreement. Unless the context otherwise requires, references in this Agreement to the singular shall be deemed to include references to the plural and vice versa and words importing one gender shall include both genders and the neuter and vice versa.

- 1.4 References in this Agreement to Clauses and Schedules are references to clauses of and schedules to, this Agreement.

2. THE LOAN

- 2.1 Subject to the terms and conditions of this Agreement, the Lender relying on the representations warranties covenants and undertakings of the Borrower made in this Agreement agrees to make available of the Loan to the Borrower during the Availability Period.

- 2.2 The Borrower shall use the proceeds of the Loan:-

- (a) for the payment of loans and payables; and
- (b) for the working capital of the Borrower.

3. CONDITIONS PRECEDENT

- 3.1 The obligation of the Lender to advance the Loan to the Borrower is conditional upon the Lender has received all of the following:

- (a) all necessary waivers, approvals, consents, authorizations and confirmation of any relevant party, including but not limited to the independent shareholders of the Borrower and the Stock Exchange, required to be obtained on the part of the Borrower in relation to the transactions contemplated under this Agreement having been obtained;
- (b) the Lender having received this Agreement duly executed by the Borrower and the Lender;
- (c) all representations and warranties made by the Borrower in this Agreement or in connection herewith shall be true and correct with the same effect as though made on and as of the first Drawdown Date with reference to the facts and circumstances then subsisting;
- (d) a set of certified copies of the certificate of incorporation, memorandum and articles of association, and register of directors of the Borrower;
- (e) a certified copy of the board resolutions of the Borrower approving the entering into and performance of its obligations of this Agreement, and all agreements and documents and all transactions contemplated under this Agreement;
- (f) no Event of Default having occurred or prospective Event of Default shall have occurred (or would be likely to occur as a result of the Loan being made);

- (g) the Borrower having delivered the Notice of Drawing duly completed and signed by the Borrower within the Availability Period;
- (h) the Lender having received the Memorandum confirmed and acknowledged by the Borrower made pursuant to the Money Lenders Ordinance (Cap. 163 of the Laws of Hong Kong); and
- (i) the Lender having received four (4) undated cheques delivered by the Borrower to be drawn in favour of the Lender (or such other party as it may direct) for (i) the first cheque shall be for the first drawing of a part of the principal amount of the Loan (i.e. HK\$10,000,000.00); (ii) the second and third cheques shall be for the second and third drawings of parts of the principal amount of the Loan (i.e. HK\$5,000,000.00 each), and (iii) the fourth cheque shall be for the accrued interest of the first drawing of a part of the principal amount of the Loan (i.e. HK\$10,000,000.00) for 6 months (i.e. HK\$250,000) as security for repayment of the Loan under this Agreement;

3.2 For the avoidance of doubt, the Lender shall have the absolute discretion to allow the making of the advance of the Loan even if the conditions specified in this Clause 3.1 shall not have been fully satisfied before the time of the advance of the Loan but the exercise of such discretion by the Lender shall not in any way be construed as a waiver by the Lender of any of such conditions not so satisfied and shall not operate to prejudice or impair any right, power or remedy of the Lender hereunder or otherwise. The Borrower undertakes with the Lender to deliver to the Lender such documents or information and do such acts or deeds as are necessary to fulfil such conditions as are outstanding after the advance of the Loan as soon as possible.

4. DRAWING

4.1 Subject to Clause 3, Clause 4.2 and other terms and conditions of this Agreement, the Borrower may request the making of the Loan by parts of not more than four drawings available on any Business Day during the Availability Period provided that the Lender shall be entitled to deduct from the Loan any banking charges and any monies payable by the Borrower hereunder (including but without limitation to the costs and expenses payable by the Borrower under Clause 9).

4.2 The Notice of Drawing once given under Clause 3.1(g) shall be irrevocable and the Borrower shall be bound to make the drawing of the entire amount of the Loan in accordance herein.

5. INTEREST

5.1 The Borrower shall pay interest on or in respect of the Loan in accordance with the provisions of this Clause.

- 5.2 Each Interest Period for the Loan shall be of duration of one (1) Month. Each Interest Period for the Loan shall commence on the date on which the advance is made or (if the Loan has already been made) on the day following the last day of the preceding Interest Period of that Loan.
- 5.3 Interest on the Loan shall accrue at a rate of five per cent (5%) per annum.
- 5.4 Interest at the rate determined as aforesaid shall accrue from day to day, shall be calculated on the basis of the actual number of days elapsed and a 365-day year, including the first day of the period during which it accrues but excluding the last, and shall be paid in arrears on Interest Payment Date.

6. REPAYMENT

- 6.1 Without prejudice to Clause 7.1 and 13.2, the Borrower shall repay the Loan together with the interest accrued thereon and all other moneys payable by the Borrower hereunder in full in one lump sum on the Repayment Date (or such other date as the Lender may agree in writing).
- 6.2 Without prejudice to Clause 7.1 and Clause 13.2, the Borrower shall pay interest to be accrued in respect of the Loan calculated in accordance with Clause 5.
- 6.3 Without prejudice to any other right or remedy of the Lender, the Borrower hereby expressly agrees to repay the Lender the Loan together with all the interest accrued thereon on the Repayment Date, either in form of cash or other means acceptable to the Lender.
- 6.4 Without prejudice to any other provisions of this Agreement, the Lender shall have the overriding right at any time by written notice to the Borrower to demand repayment of the Loan and all interest accrued thereon and all other moneys payable under this Agreement whereupon the same shall be repaid by the Borrower within five (5) calendar days from the date of such notice.

7. EARLY REPAYMENT

- 7.1 The Borrower may repay all or part of the Loan on any date before the Repayment Date and after seven (7) Business Days from the Drawdown Date(s) provided that the Borrower shall have given to the Lender not less than seven (7) Business Days' prior written notice specifying the amount and date of early repayment.
- 7.2 Any notice of early repayment given by the Borrower under any provision of this Agreement shall be irrevocable and the Borrower shall be bound to make such early repayment in accordance therewith.
- 7.3 On the date the principal amount of the Loan fully repaid by the Borrower under this Clause 7 of the Loan Agreement, the Borrower shall also pay to the Lender the interest in an amount of HK\$600,000 regardless of the duration of the Interest Period.

- 7.4 If the Borrower shall fail to make the early repayment in accordance with any notice of early repayment given by it, the Borrower shall pay a default fee equal to 4% of the amount to be prepaid as specified in the notice of early repayment.

8. TAXES

- 8.1 All sums payable by the Borrower under this Agreement shall be paid in full without set-off or counterclaim or other deductions or withholdings and free and clear of and without deduction for or on accounts of any taxes now or hereafter imposed, levied, collected, withheld or assessed by any country, state or any political sub-division or taxing authority thereof or therein or any federation or organisation of which any such country, state or any political sub-division thereof may at the time of payment be a member.

9. FEES AND EXPENSES

- 9.1 The Borrower shall pay to the Lender on demand on a full indemnity basis:
- (a) all costs, charges and expenses (including legal and other fees on a full indemnity basis and all other out-of-pocket expenses) reasonably and properly incurred by the Lender in connection with the negotiation, syndication, preparation, execution and (where relevant) registration of this Agreement, and all other documents ancillary to or derived from any of them; and
 - (b) all costs, charges and expenses (including legal and other fees on a full indemnity basis and all other out-of-pocket expenses) incurred by the Lender in connection with the perfection and enforcement of this Agreement or the preservation, enforcement, exercise or intended or attempted exercise of any of its rights, powers or remedies of the Lender hereunder or thereunder or otherwise in connection with the Loan or the admissibility in evidence of this Agreement.

10. PAYMENTS AND EVIDENCE OF DEBT

- 10.1 The Loan to be advanced by the Lender to the Borrower under this Agreement shall be made available to the Borrower on Drawdown Date(s) by delivery to the Borrower of a bankers' draft or cheque payable to or to the order of the Borrower in immediately available funds or by such other method of payment as the Lender may deem fit.
- 10.2 All payments to be made by the Borrower to the Lender under this Agreement shall be made in Hong Kong dollars in immediately available funds and, unless expressly provided in this Agreement to the contrary, shall be made to the Lender not later than 4:00 p.m. (Hong Kong time) on the due date to such account as the Lender may from time to time stipulate in writing.

10.3 The Lender shall maintain on its books in accordance with its usual practice a set of accounts recording the amounts from time to time owing by the Borrower hereunder. In any legal proceeding and otherwise for the purposes of this Agreement the entries made in such accounts shall, in the absence of manifest error, be conclusive and binding on the Borrower as to the existence and amounts of the obligations of the Borrower recorded therein.

11. REPRESENTATIONS AND WARRANTIES

11.1 The Borrower hereby represents and warrants to the Lender that:-

- (a) the Borrower has full power, authority and legal right to enter into and engage in the transactions contemplated by and perform and comply with its obligations under this Agreement to which it is a party and has taken or obtained all necessary other action and consents to authorise the execution and performance of this Agreement;
- (b) neither the execution of this Agreement to which it is a party nor the performance by the Borrower of any of its obligations or the exercise of any of its rights hereunder will conflict with or result in a breach of any law, regulation, judgment, order, authorisation, agreement or obligation applicable to it or result in the creation of or oblige the Borrower to create an Encumbrance in respect of any of its property or assets;
- (c) all necessary authorisations, consent, approval or licence required from any governmental or other authority/relevant bodies or from any creditors of the Borrower for or in connection with the execution, validity and performance of this Agreement, will have been obtained and be in full force and effect;
- (d) no litigation, arbitration or administrative proceeding of whatsoever nature is currently taking place or pending or threatened against the Borrower or any of its assets or revenues;
- (e) the Borrower is not in default under any law, regulation, judgment, order, authorisation, agreement or obligation applicable to it or its assets or revenues, the consequences of which default could materially and adversely affect its business or financial standing or its ability to perform its obligations under this Agreement and no Event of Default or prospective Event of Default has occurred;
- (f) the Borrower's liability is generally subject to civil and commercial law and to legal proceedings and neither the Borrower nor any of its assets or revenues is entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgement, execution, attachment or other legal process;
- (g) this Agreement to which the Borrower is a party constitute (or, as and when executed, will constitute) legal, valid, binding and enforceable obligations of the Borrower in accordance with its terms;

- (h) no event or circumstance which constitutes, or which with the giving of notice or lapse of time or both would constitute, an Event of Default has occurred.
- (i) all authorisations required from any governmental or other authority or from any shareholders or creditors of any of the Borrower and the Borrower for or in connection with the execution, validity and performance of this Loan Agreement to which it is a party have been obtained and are in full force and effect or, by the date on which the Notice of Drawing is given, will have been obtained and be in full force and effect and there has been no default under the conditions of any of the same;
- (j) the Borrower has not sold or granted any right of pre-emption over or agreed to sell or grant any right of pre-emption over or otherwise disposed of or agreed to dispose of, the benefit or all or any its rights, titles and interest in and to all or any part of the property, assets or revenues of the Borrower;
- (k) the Borrower does not have any indebtedness to any party except indebtedness arising in the ordinary course of business carried on by it or as previously disclosed in writing to and agreed by the Lender;
- (l) the Borrower has not entered into or signed any agreement (the “**Third Party Agreement**”) with any person (“**Third Party**”) for or in relation to procuring, negotiation, obtaining or application of the loan, guaranteeing or securing the repayment of the loan (other than an agreement with solicitors instructed by the Borrower for the provision of legal services solely)
- (m) the Borrower fully understand that it is an offence for person to fraudulently induce a money lender to lend money by false or misleading statement or dishonest concealment of material facts; and
- (n) the Borrower has made full and honest disclosure of the above information on the involvement of any third parties in relation to the loan for the protection of his/her own interests.

11.2 The Borrower hereby further represents and warrants to and undertakes with the Lender that each of the representations and warranties contained in Clause 11.1 inclusive shall be true and correct and complied with in all respects for so long as any part of the Loan or interest thereon or any other amounts payable hereunder or any of them remain outstanding and shall without prejudice to the foregoing be deemed to be repeated on the date on which the drawing is made.

11.3 The Borrower hereby acknowledges that the Lender has agreed to make the Loan available to the Borrower as well as has entered into this Agreement in reliance upon the representations and warranties contained in this Clause.

12. UNDERTAKINGS

12.1 Affirmative Undertakings

The Borrower hereby covenants, undertakes and agrees with the Lender throughout the continuance of this Agreement and so long as any sum remains owing hereunder that the Borrower will, unless the Lender otherwise agrees in writing:

- (a) supply to the Lender promptly on request, such financial or other information relating to the Borrower, as the Lender may from time to time reasonably request;
- (b) keep proper records and books of account in respect of its business and permit the Lender and/or any professional consultants appointed by the Lender at all reasonable times to inspect and examine the records and books of account of the Borrower;
- (c) promptly inform the Lender of:
 - (i) the occurrence of any Event of Default or prospective Event of Default or any material adverse factor which may inhibit the Borrower, in the performance of their respective obligations under this Loan Agreement;
 - (ii) any litigation, arbitration or administrative proceeding as referred to in Clause 11.1(d);
 - (iii) any events or situation leading to decline in value of the Borrower;
 - (iv) any suspension on its payment obligations or failure to pay its debts as they fall due to its creditors;
- (d) maintain its corporate existence and conduct its business in a proper and efficient manner and in compliance with all laws, regulations, authorisations, agreements and obligations applicable to it and pay all taxes imposed on it when due;
- (e) maintain or procure to be maintained in full force and effect all such authorisations as are referred to in Clause 11.1(i), and take immediate steps to obtain and thereafter maintain or procure to be maintained in full force and effect any other authorisations which may become necessary or advisable for the purposes stated therein and comply or procure compliance with all conditions attached to all authorisations obtained;
- (f) ensure that its obligations under this Agreement at all times rank at least *pari passu* with all of its other respective unsecured and unsubordinated obligations; and
- (g) punctually pay all sums due from them to the Lender and otherwise comply with its obligations under this Agreement;

12.2 Negative Undertakings

The Borrower hereby covenants, undertakes and agrees with the Lender throughout the continuance of this Agreement and so long as any sum remains owing hereunder that the Borrower will not, unless the Lender otherwise agrees in writing:

- (a) take any step, or cause or permit any person to take any step, with a view or that might lead to dissolution, liquidation, winding-up or bankruptcy;
- (b) take any step, or cause or permit to take any step, to allot and issue new shares or purchase or redeem any of its issued shares or reduce its share capital or make a distribution of assets or other capital distribution to its shareholders or make a repayment in respect of any loans or other indebtedness owing to any of its shareholders;
- (c) take any step, or cause or permit to take any step to declare or pay any dividend or make any other income distribution to its shareholders if an Event of Default or prospective Event of Default has occurred and has not been remedied to the satisfaction of the Lender;
- (d) take any step, or cause or permit to take any step to establish or acquire any Subsidiary or invest in any other entity or provide financing to any person except in the ordinary course of its business;
- (e) take any step, or cause or permit to take any step to materially change the nature of its business, sell, transfer or otherwise assign, deal with or dispose of all or any substantial part of its business or (except for good consideration in the ordinary course of its business) its assets or revenues, whether by a single transaction or by a number of transactions whether related or not;
- (f) take any step, or cause or permit to take any step to make or grant any loan or advance or guarantee or in any other manner be or become directly or indirectly or contingently liable for any indebtedness or other obligation of any other person, except as may be necessary in the ordinary course of its business;
- (g) create or attempt or agree to create or permit to arise or exist any Charge over all or any part of its property, assets or revenues except (i) any Charge created under this Agreement or (ii) any possessory lien arising by operation of law in the ordinary course of business and not in connection with the borrowing or raising of money or credit;
- (h) borrow or raise money or credit except from the Lenders pursuant to this Agreement or, except in the ordinary course of its business, incur any other indebtedness without the prior written consent of the Lender; and
- (i) enter into any agreement or obligation which might materially and adversely affect its financial or other condition.

12.3 The Borrower hereby undertakes that it will comply with the relevant obligations and requirements under all applicable laws, rules and regulation, including but not limited to the GEM Listing Rules, with respect to this Agreement.

13. EVENTS OF DEFAULT

13.1 There shall be an Event of Default if any one of the following events shall have occurred or is continuing upon signing of this Agreement:

- (a) the Borrower fails to pay any sum due from it under this Agreement in the manner specified herein on the due date of payment;

- (b) the Borrower fails duly and punctually to perform or comply with any of its respective obligations or undertakings hereunder and, in respect only of a failure which in the opinion of the Lender is capable of remedy and which is not a failure to pay money, does not remedy such failure to the Lender's satisfaction within three (3) calendar days (or such longer period as the Lender may approve) after receipt of notice from the Lender requiring it to do so;
- (c) any representation or warranty made or deemed to be made by the Borrower in or in connection with this Agreement, proves to have been untrue, incorrect or misleading in any respect reasonably considered by the Lender to be material;
- (d) the shares of the Borrower cease to be listed on the Stock Exchange or trading in such shares is suspended for a period of more than three (3) consecutive trading days and the reason therefore is not acceptable to the Lender, except where such suspension of trading of shares is due to or as a result any transaction entered into by the Borrower or as required by the Stock Exchange of Hong Kong;
- (e) the Borrower ceases or threatens to cease to carry on business or any substantial part thereof or changes or threatens to change materially the nature or scope of the business or the Borrower disposes of or threatens to dispose of or any government or other authority expropriates or threatens to expropriate all or any substantial part of the business or assets without the written consent of the Lender;
- (f) save for any prior disclosure and announcement to the Lender or on the website of the Stock Exchange of Hong Kong Limited, the Borrower defaults or receives notice of default under any agreement or obligation relating to borrowing or any indebtedness of the Borrower becomes payable or capable of being declared payable before its stated maturity or is not paid when due or any charge, guarantee or other security now or hereafter created by the Borrower becomes enforceable;
- (g) a creditor takes possession of all or any part of the business or assets of the Borrower or any execution or other legal process is enforced against the business or any assets of the Borrower and is not discharged within ten (10) days;
- (h) save for any prior disclosure and announcement to the Lender or on the website of the Stock Exchange of Hong Kong Limited, a petition will be presented or a proceeding will be commenced or an order will be made for the winding-up of the Borrower or for the appointment of a liquidator, receiver, administrator, trustee or similar officer of the Borrower or of all or any part of its business or assets hereafter;

- (i) if the Borrower shall become a party to any material litigation or arbitration or administrative or criminal proceedings or such as threatened against any of them;
- (j) it is or will become unlawful for the Borrower to perform or comply with any obligations under this Agreement;
- (k) the Borrower stops or suspends payments to its creditors generally or is unable or admits its inability to pay its debts as they fall due or seeks to enter into any composition or other arrangement with its creditors or is declared or becomes bankrupt;
- (l) any event which has an effect equivalent or similar to any of the events described in any of the paragraphs set out in this Clause occurs;
- (m) this Agreement or any provision hereof (which is reasonably regarded as material by the Lender) ceases for any reason to be in full force and effect or is terminated or jeopardised or becomes invalid or unenforceable or if there is any dispute regarding such potential jeopardy, invalidity or enforceability or if there is any purported termination of the same or it becomes impossible or unlawful for the Borrower or any party thereto to perform all or any of its rights, powers and remedies hereunder or thereunder or for the Lender to exercise all or any of its rights, powers and remedies hereunder or thereunder; or
- (n) any situation occurs which in the opinion of the Lender gives grounds to believe that a material adverse change in the business, operation, financial standing or any other part of the Borrower has occurred or that the ability of the Borrower to perform its obligations hereunder has been or will be materially and adversely affected. or
- (o) the lender receive notice or has reasonable cause to believe that the shares of the Borrower are to be delisted from the Stock Exchange;

13.2 If an Event of Default has occurred, the Borrower irrevocably and unconditionally agree that the Lender may:

- (a) declare that the Loans, accrued interest and all other sums payable hereunder to be, whereupon they shall become, immediately due and payable without further demand, notice or other legal formality of any kind;
- (b) declare that the loan facility terminated whereupon the obligation of the Lender to make further advances of the Loan (if any) hereunder shall immediately cease; and/or
- (c) date and cash the cheque delivered pursuant to Clause 3.1(i) without prior consent from the Borrower;

14. INDEMNITIES

14.1 Without prejudice to any other right or remedy of the Lender, upon:

- (a) the occurrence of an Event of Default; and/or
- (b) the declaration of the Loan to be immediately due and payable pursuant to Clause 13.2 or otherwise in accordance with the terms of this Agreement; and/or
- (c) any sums payable by the Borrower under this Agreement not being paid when due, and at any time thereafter,

the Borrower shall pay to the Lender on demand such amount or amounts as shall fully indemnify the Lender against all losses, expenses and liabilities which the Lender may sustain or incur by reason of the occurrence of any of the foregoing including but not limited to any loss, expense, premium or penalties suffered or incurred by the Lender in liquidating or re-employing deposits from third parties acquired to effect or maintain the Loan or any part thereof. A certificate of the Lender setting forth the amount of such losses, expenses and liabilities and specifying the basis therefore shall, in the absence of manifest error, be conclusive and binding on the Borrower.

15. AMENDMENT

15.1 Any amendment or waiver of any provision of this Agreement and any waiver of any default under this Agreement shall only be effective if made in writing and signed by all parties hereto and thereto.

16. MISCELLANEOUS

16.1 This Agreement and the documents referred to herein constitute the entire obligation of the Lender and supersede any previous expressions of intent or understandings in respect of this transaction.

16.2 If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

16.3 This Agreement may be executed in any number of counterparts and by different parties on separate counterparts as the Lender may require which when taken together shall be deemed to constitute one agreement.

16.4 Save as may be expressly otherwise provided herein, time is of the essence of this Agreement but no failure or delay on the part of the Lender to exercise any power,

right or remedy hereunder shall operate as a waiver thereof nor shall a waiver by the Lender of any particular default by the Borrower affect or prejudice the right, power or remedy of the Lender in respect of any other default or any subsequent default of the same or a different kind nor shall any single or partial exercise by the Lender of any power, right or remedy hereunder preclude any other or further exercise thereof or the exercise of any power, right or remedy.

16.5 No power, right or remedy conferred under this Agreement upon the Lender is intended to be exclusive of any other power, right or remedy but shall be cumulative and shall be in addition to every other power and remedy now or hereafter existing at law, in equity, by statute or contract or otherwise.

16.6 No waiver of any Event of Default shall be effective unless in writing signed by the Lender.

17. ASSIGNMENT

17.1 The Borrower shall not assign any of its rights or obligations under this Agreement.

17.2 The Lender may at any time assign to any one or more banks or other financial institutions all or any of its rights and/or obligations under this Agreement. In that event, to the extent of the rights and/or obligations so disposed of, the transferee has the same rights against the same obligations towards the Borrower as it would have had if it has been a party hereto with such rights and/or obligations, and the Lender ceases to the same extent to be entitled to such rights and/or is released from such obligations.

18. CONFIDENTIALITY

18.1 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, the GEM Listing Rules and the regulations or the requirements of the Stock Exchange, any regulatory body or authority. Any announcement by any party required to be made pursuant to any relevant law, the GEM Listing Rules or regulation or the requirements of the Stock Exchange, any regulatory body or authority shall be issued only after such prior consultation with the other party as is reasonably practicable in the circumstances.

18.2 Each of the parties undertakes to the other of them that it will not, at any time after the date of this Agreement, divulge or communicate to any person other than to its professional advisers, or when required by law, or to 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 the other party which may be within or may

come to its knowledge and it shall use its best endeavours to prevent the publication or disclosure of any such confidential information concerning such matters.

19. NOTICE

19.1 All notices or communications required to be served or given pursuant to this Agreement:

- (a) shall be in writing and may be sent by prepaid postage, mail (by airmail if to another country) or facsimile (but, if by facsimile from the Borrower, shall promptly be confirmed by mail) or personal delivery;
- (b) shall be sent to the parties at the facsimile number or address from time to time designated in writing by that party to the other; the initial facsimile number and address so designated by each party being set out in Schedule 1;
- (c) if sent by the Borrower shall be irrevocable and shall not be effective until actually received by the Lender;
- (d) if sent to the Borrower shall be deemed to have been given and received by the Borrower (a) within three (3) days after the date of posting, if sent by mail; (b) when delivered, if delivered by hand; and (c) on despatch, if sent by facsimile; and
- (e) shall be in the English language.

20. GOVERNING LAW AND JURISDICTION

20.1 This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of Hong Kong.

20.2 The Borrower hereby irrevocably submits to the jurisdiction of the courts of Hong Kong and of any country in which it has assets and hereby irrevocably waives any objection to any proceedings in any such courts on the basis of forum non conveniens. The Borrower agrees that a judgment in any proceedings brought in any such courts may be enforced in any other jurisdiction by suit on the judgment or in any other manner permitted by law.

20.3 The submission in Clause 19 is non-exclusive and the Lender reserves the right to proceed in any other jurisdiction having or claiming or accepting jurisdiction in respect thereto.

21. MONEY LENDERS ORDINANCE

- 21.1 The Borrower hereby acknowledges that the Borrower has read through and fully understood the Memorandum dated the date of this Agreement signed by the Lender and acknowledged by the Borrower setting out a summary of this Agreement and the Form of Summary of Provisions of the Money Lenders Ordinance (in English and Chinese version) in accordance with the Money Lenders Ordinance.
- 21.2 The Borrower hereby acknowledges and declares the Borrower has been advised by the Lender to seek his own independent legal and other professional advice on this Agreement and the transactions contemplated herein

IN WITNESS WHEREOF this Agreement has been executed on the day and year first above written.

BORROWER

SEALED and SIGNED by HO Kam Kin)



For and on behalf of)
SINOPHARM TECH HOLDINGS LIMITED)

in the presence of :- Kwok Shuk yi)

Director

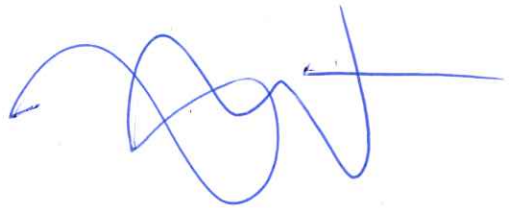


LENDER

SEALED and SIGNED by)

For and on behalf of)
QUANTUM WORLDWIDE)
INVESTMENT LIMITED)

in the presence of :-)



SCHEDULE 1

Address and Facsimile Number for Notification

<u>Party</u>	<u>Address</u>	<u>Facsimile number</u>
The Borrower	Unit 1802, 18/F, Ruttonjee House, Ruttonjee Centre, 11 Duddell Street, Central, Hong Kong (Attn: Mr. Ho Kam Kin)	2741-8038
The Lender	21/F., 88 Gloucester Road, Wanchai, Hong Kong (Attn: Ms. Edwardine Kwok)	2209 2211

SCHEDULE 2

FORM OF NOTICE OF DRAWING

Date : [●]

To : QUANTUM WORLDWIDE INVESTMENT LIMITED (“Lender”)

Dear Sirs,

We refer to the loan agreement dated [●] (the “**Loan Agreement**”) pursuant to which you agreed to advance a loan in the aggregate principal amount of HK\$[●] (the “**Loan**”) to us.

We hereby

- (1) give you notice that we intend to make a drawing of the Loan on [●] by way of a cheque be issued in favour of the Borrower;
- (2) enclose [●] undated cheques amounting to [●] and [●] respectively drawn in favour of the Lender, representing the principal amount of the Loan and interest accrued for [●] months, as security for repayment under the Loan Agreement;
- (3) represent and warrant that the representations and warranties set out in Clause 11 of the Loan Agreement are true and correct on the date hereof with reference to the facts and circumstances now subsisting;
- (4) certify that the agreements and undertakings in Clause 12.1 of the Loan Agreement have at all times been duly complied with, observed and performed; and
- (5) certify that no Event of Default or prospective Event of Default or condition, act or event as set out in Clause 13.1 of the Loan Agreement which, with the giving of notice or lapse of time or both or the fulfilment of any other condition would constitute an Event of Default has occurred, is continuing or would result from the drawing requested hereunder.

Expressions capitalised and not defined in this Notice of Drawing shall have the meanings attributed thereto in the Loan Agreement.

Yours faithfully
For and on behalf of
Sinopharm Tech Holdings Limited

Director: [●]

SCHEDULE 3

MEMORANDUM to the Lender dated the [●] 2023

We, Quantum Worldwide Investment Limited, refer to a loan agreement of a term loan of HK\$ HK\$20,000,000.00 dated [●] 2023 (the “**Loan Agreement**”) made between:-

- (1) **SINOPHARM TECH HOLDINGS LIMITED**, a company incorporated in Cayman Islands whose shares listed on the GEM of The Stock Exchange of Hong Kong Limited (stock code: 8156) and having its principal office at Unit 1802, 18/F, Ruttonjee House, Ruttonjee Centre, 11 Duddell Street, Central, Hong Kong (the “**Borrower**”); and
- (2) **QUANTUM WORLDWIDE INVESTMENT LIMITED**, a company incorporated in British Virgin Islands and having its registered office at 21/F., 88 Gloucester Road, Wanchai, Hong Kong (the “**Lender**”)

I, [●] (HKID No. : [●]), authorized representative or associate of the Lender (the “**Representative**”), am authorized by the Lender to explain all the terms and conditions of the Loan Agreement including the following key terms:-

Terms and expressions defined in the Loan Agreement have the same meanings in this Memorandum.

(a) **The name and address of the money lender**

QUANTUM WORLDWIDE INVESTMENT LIMITED, a company incorporated in British Virgin Islands and having its registered office at 21/F., 88 Gloucester Road, Wanchai, Hong Kong

(b) **The name and address of borrower**

SINOPHARM TECH HOLDINGS LIMITED, a company incorporated in Cayman Islands whose shares listed on the GEM of The Stock Exchange of Hong Kong Limited (stock code: 8156) and having its principal office at Unit 1802, 18/F, Ruttonjee House, Ruttonjee Centre, 11 Duddell Street, Central, Hong Kong

(c) **The amount of the principal of the loan in words and figures**

HK\$20,000,000.00 (*Hong Kong Dollars Twenty Million only*)

(d) **The date of the making of the agreement**

[●]

(e) **The date of the making of the loan**

[●]

(f) **The terms of repayment of the loan**

The Borrower shall repay the loan in full on the last day of the period of **six (6) Months** after each drawing date, or where relevant, the date referred to in Clause 6.3 or Clause 12.2 of the Loan Agreement.

(g) **The form of security for the loan**

Four (4) undated cheques delivered by the Borrower to be drawn in favour of the Lender (or such other party as it may direct) for (i) the first cheque shall be for the first drawing of a part of the principal amount of the Loan (i.e. HK\$10,000,000.00); (ii) the second and third cheques shall be for the second and third drawings of parts of the principal amount of the Loan (i.e. HK\$5,000,000.00 each), and (iii) the fourth cheque shall be for the accrued interest of the first drawing of a part of the principal amount of the Loan (i.e. HK\$10,000,000.00) for 6 months (i.e. HK\$250,000) as security for repayment of the Loan under this Agreement in accordance with Clause 3.1(i) of the Loan Agreement

(h) **The rate of interest charged on the loan expressed as a rate per cent per annum**

Interest on the Loan shall accrue at the rate of five per cent (5%) per annum. Interest shall be calculated on the basis of the actual number of days elapsed and a 365-day year. The Borrower shall pay interest to be accrued in respect of the Loan monthly and the last interest payment on the Repayment Date.

(i) **Repayment of the loan**

The maximum amount of interest payable for the term of this Loan is HK\$1,000,000.00.

The Lender has the overriding right to demand the Borrower for an immediate repayment of the Loan and its accrued interest at any time.

(j) **A declaration as to the place of negotiation and completion of the agreement for the loan**

SINOPHARM TECH HOLDINGS LIMITED hereby declares that the Loan Agreement was negotiated at the Lender's office of 21/F., 88 Gloucester Road, Wanchai, Hong Kong and was signed at the said address at 10:00am, [●] November 2023.

(k) **Money Lender Ordinance**

Prescribed summary of the relevant provisions of the Money Lender Ordinance is attached in Schedule 4.

The Borrower acknowledge receipt and confirm the full understanding of this Memorandum and terms and conditions of the Loan Agreement after the explanation from the Representative.

For and on behalf of
**QUANTUM WORLDWIDE
INVESTMENT LIMITED**

Acknowledged and confirmed by
**SINOPHARM TECH HOLDINGS
LIMITED**

Mr. [●]
the person duly authorized by
the board of directors

Mr. [●]
the person duly authorized by
the board of directors

<SCHEDULE 4>

**FORM OF SUMMARY OF PROVISIONS OF THE MONEY LENDERS
ORDINANCE**

THE MONEY LENDERS ORDINANCE

The provisions of the Money Lenders Ordinance summarized below are important for the protection of all the parties to a loan agreement, and should be read carefully. The summary is not part of the law, and reference should be made to the provisions of the Ordinance itself in case of doubt.

Summary of Part III of the Ordinance-Money lenders transactions

Section 18 sets out the requirements relating to loans made by a money lender. Every agreement for a loan must be put into writing and signed by the borrower within 7 days of making the agreement and before the money is lent. A copy of the signed note of the agreement must be given to the borrower, with a copy of this summary, at the time of signing. The signed note must contain full details of the loan, including the terms of repayment, the form of security and the rate of interest. An agreement which does not comply with the requirements will be unenforceable, except where a court is satisfied that it would be unjust not to enforce it.

Section 19 provides that a money lender must, if requested in writing and on payment of the prescribed fee for expenses, give the original and a copy of a written statement of a borrower's current position under a loan agreement, including how much has been paid, how much is due or will be due, and the rate of interest. The borrower must endorse on the copy of the statement words to the effect that he has received the original of the written statement and return the copy as so endorsed to the money lender. The money lender must retain the copy of the statement so returned during the continuance of the agreement to which that statement relates. If the money lender does not do so he commits an offence. The money lender must also, upon a request in writing, supply a copy of any document relating to the loan or security. But a request cannot be made more than once per month. Interest is not payable for so long as the money lender, without good reason, fails to comply with any request mentioned in this paragraph.

Section 20 provides that the surety, unless he is also the borrower, must within 7 days of making the agreement be given a copy of the signed note of the agreement, a copy of the security instrument (if any) and a statement with details of the total amount payable. The

money lender must also give the surety, upon request in writing at any time (but not more than once per month) a signed statement showing details of the total sum paid and remaining to be paid. The security is not enforceable for so long as the money lender, without good reason, fails to comply.

Section 21 provides that a borrower may at any time, on giving written notice, repay a loan together with interest to the date of repayment, and no higher rate of interest may be charged for early repayment. This provision, however, will not apply where the money lender is recognized, or is a member of an association recognized, by the Financial Secretary by notice in the Gazette in force under section 33A(4) of the Ordinance.

Section 22 states that a loan agreement is illegal if it provides for the payment of compound interest, or provides that a loan may not be repaid by instalments. A loan agreement is also illegal if it charges a higher rate of interest on amounts due but not paid, although it may provide for charging simple interest on that part of the principal and interest outstanding at a rate not exceeding the rate payable apart from any default. The illegal agreement may, however, be declared legal in whole or in part by a court if the court is satisfied that it would be unjust if the agreement were illegal because it did not comply with this section.

Section 23 declares that a loan agreement with a money lender and any security given for the loan will not be enforceable if the money lender was unlicensed at the time of making the agreement or taking the security. The loan agreement or security may, however, be declared enforceable in whole or in part by a court if the court is satisfied that it would be unjust if the agreement or security were unenforceable by virtue of this section.

Summary of Part IV of the Ordinance - Excessive interest rates

Section 24 fixes the maximum effective rate of interest on any loan at 60% per annum (the "effective rate" is to be calculated in accordance with the Second Schedule to the Ordinance). A loan agreement providing for a higher effective rate will be unenforceable and the lender will be liable to prosecution. This maximum rate may be changed by the Legislative Council but not so as to affect existing agreements. The section does not apply to any loan made to a company which has a paid up share capital of not less than \$1000000 or, in respect of any such loan, to any person who makes that loan.

Section 25 provides that where court proceedings are taken to enforce a loan agreement or security for a loan or where a borrower or surety himself applies to a court for relief, the court may look at the terms of the agreement to see whether the terms are grossly unfair or

exorbitant (an effective rate of interest exceeding 48% per annum or such other rate as is fixed by the Legislative Council, may be presumed, on that ground alone, to be exorbitant), and, taking into account all the circumstances, it may alter the terms of the agreement in such a manner as to be fair to all parties. The section does not apply to any loan made to a company which has a paid up share capital of not less than \$1000000 or, in respect of any such loan, to any person who makes that loan.

貸款協議的摘記或備忘錄所須包括或附有的本條例條文撮要的格式

放債人條例

以下所列的《放債人條例》條文撮要，對保障訂立貸款協議的各方均至為重要，應小心閱讀。該撮要並非法例的一部分，如有疑問，應參閱《放債人條例》有關條文。

《放債人條例》第III部撮要 — 放債人進行的交易

本條例第18條列出關於放債人作出貸款的規定。每份貸款協議須以書面訂立，並由借款人於該協議作出後的7天內及於該筆款項貸出之前簽署。在簽訂協議時，須將已簽署的一份協議摘記，連同本撮要一份給予借款人。該摘記須載有該宗貸款的詳盡細則，包括還款條款、保證形式及利率。不符合上述規定的協議不得予以強制執行，除非法庭信納不強制執行該協議並不公平。

本條例第19條訂定，如借款人提出書面要求及就有關開支而支付訂明費用，則放債人須將該借款人在貸款協議下當時的債務情況(包括已還款項、到期或即將到期的款項及利率)的結算書正本及副本一份給予借款人。借款人須在該結算書的副本上簽註文字，表示已經收到該結算書的正本，並將經如此簽註的該結算書副本交回該放債人。放債人則須在與該結算書有關的協議持續期間保留該份已交回的結算書副本。如放債人不照辦，即屬犯罪。如借款人提出書面要求，放債人亦須供給與該宗貸款有關或與保證有關的任何文件的副本。但上述要求，不得在一個月內提出超過一次。放債人如無充分理由而沒有遵照本段所述的要求辦理，則不得收取在該等要求沒有照辦期間的利息。

本條例第20條訂定，除非保證人亦是借款人，否則須在協議作出後的7天內，給予保證人一份已簽署的協議摘記、一份保證文書(如有的話)及詳列須支付款項總額的結算書。如保證人在任何時間提出書面要求(不得在一個月內超過一

次)，放債人須給予他一份已簽署並詳列已支付款項總額及尚欠款項總額的結算書。放債人如無充分理由而沒有遵照辦理，則不得在該項要求沒有照辦期內強制執行該項保證。

本條例第21條訂定，借款人以書面通知後，可隨時將貸款及計算至還款日期為止的利息償還，放債人不得因借款人提早還款而徵收較高利率。放債人如是財政司根據《放債人條例》第33A(4)條以憲報公告認可的放債人或認可的社團的成員，則上述條文不適用。

本條例第22條述明，任何貸款協議如訂定須支付複利或訂定不准以分期方式償還貸款，均屬非法。此外，任何貸款協議如訂定到期而未支付的款項須收取較高利率，亦屬非法，但該協議可訂定，未償還的本金部分及利息須收取單利，但利率不得超過在沒有拖欠的情況下須支付的利率；但如法庭信納，該協議如因不符合本條規定而成為非法並不公平，則可宣布該份非法協議全部或部分合法。

本條例第23條述明，如放債人在訂立貸款協議時或接受貸款保證時並未領有牌照，則與該放債人訂立的貸款協議及給予他的保證不得強制執行；但如法庭信納，該協議或保證如因本條規定而不能強制執行並不公平，則可宣布該協議或保證的全部或部分可予強制執行。

《放債人條例》第IV部撮要 — 過高利率

本條例第24條釐定任何貸款的最高實際利率為年息60%（“實際利率”須按照本條例附表2計算）任何貸款協議如訂定更高的實際利率，則不得強制執行，而放債人亦可被檢控。此最高利率可由立法會予以變更，但已存在的協議則不受影。對於向繳足款股本不少於\$1000000的公司作出的貸款或作出如此貸款的人，本條並不適用。

本條例第25條訂定，在強制執行貸款協議或強制執行貸款保證的法庭法律程序中，或在借款人本人或保證人本人向法庭申請濟助時，法庭可查察該協議的條款，以視該等條款是否極之不公平或利率過高（實際利率如超逾年息48%或立法會所訂的其他利率，即可單憑該理由而推定該利率過高），而法庭在顧及所有情況後，可將該協議的條款更改，使其對協議各方均公平。對於向繳足款股本不少於\$1000000的公司作出的貸款或作出如此貸款的人，本條並不適用。