

DATED THE DAY OF 2021

LAM ARTHUR

and

SYNERGY GROUP HOLDINGS INTERNATIONAL LIMITED

CONVERSION AGREEMENT
for 20,154,000 New Shares in
SYNERGY GROUP HOLDINGS INTERNATIONAL LIMITED

CONTENTS

Clause	Heading	Page
1.	DEFINITIONS AND INTERPRETATION	3
2.	CONDITIONS TO THE CONNECTED CONVERSION	5
3.	THE CONNECTED CONVERSION	6
4.	COMPLETION OF THE CONNECTED CONVERSION	7
5.	COMPANY'S WARRANTIES, UNDERTAKINGS AND INDEMNITIES	7
6.	WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS OF THE SUBSCRIBER	8
7.	EVENTS OF TERMINATION	10
8.	PRESS ANNOUNCEMENT AND CONFIDENTIALITY	10
9.	FURTHER ASSURANCE	10
10.	GENERAL	10
11.	NOTICE	11
12.	GOVERNING LAW	13
13.	ENFORCEMENT	13
14.	THIRD PARTY RIGHTS	13
	SCHEDULE 1 WARRANTIES	

respectively in settlement of HK\$10,537,000, HK\$2,227,800, HK\$5,000,000, HK\$23,890,800, HK\$1,206,800 and HK\$4,507,200 due to Red Hill Investment (BVI) Limited, Ms. YU Sze Wan Gisela, Kedah Company Limited, First Fidelity Capital (International) Limited, Mr. Tong Man Chun and Ms. Wu Chit Wai, respectively (collectively, the “**Settlement Agreements**”).

NOW IT IS HEREBY AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement (including the Recitals above), the following expressions shall, unless the context requires otherwise, have the following meanings:

“Agreement”	means	this agreement as amended or varied from time to time;
“Announcement”	means	the press announcement of the Company to be issued on behalf of the Company following the execution of this Agreement containing details of, among others, this Agreement in the agreed form subject to such modifications as the HKSE or the SFC may require;
“Articles”	means	the articles of association of the Company as the same may be amended from time to time;
“Completion”	means	completion of the Connected Conversion;
“Completion Date”	means	the date on which Completion occurs, which shall be the third Business Day after all of the Conditions have been fulfilled by the Company, or waived by the Subscriber, as the case may be, or such later date as the Company and the Subscriber may mutually agree to in writing;
“Conditions”	means	the conditions to the Connected Conversion as are more particularly set out in Clause 2;
“Connected Conversion”	means	the subscription of the Conversion Shares by the Subscriber in the full and final settlement of the Settlement Amount;
“Conversion Price”	means	HK\$0.1 per Conversion Share;
“Conversion Shares”	means	20,154,000 New Shares to be issued to the Subscriber;
“Disrupted Day”	means	a day on which a tropical typhoon warning signal No.8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. (3:00 p.m. if such day is the Completion Date);
“EGM”	means	the extraordinary general meeting to be held and convened for the Independent Shareholders to consider, and if thought fit, to approve the ordinary resolution(s) in respect of the Subscription Agreement, the Connected Conversion Agreements, the Settlement Agreements, and the transactions contemplated thereunder, including the

		granting of Specific Mandate and the Whitewash Waiver (as defined in the Connected Conversion Agreements);
“Executive”	means	the Executive Director of the Corporate Finance Division of the SFC or any of his delegate;
“HK\$”	means	Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	means	the Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	means	shareholder(s) other than (i) Abundance and its associates; (ii) Mr. Lam Arthur; (iii) any parties acting in concert with Abundance and Mr. Lam Arthur (including Ms. Yeung Betty); and (iv) those who are involved or interested in the Subscription Agreement, the Connected Conversion Agreements, the Settlement Agreements and the transactions contemplated thereunder, including the granting of Specific Mandate and/or the Whitewash Waiver (as defined in the Connected Conversion Agreements);
“Long Stop Date”	means	31 December 2021, or such later date as the parties to this Agreement may agree;
“Memorandum”	means	the memorandum of association of the Company as the same may be amended from time to time;
“Shares”	means	the ordinary share(s) in the existing capital of the Company from time to time, including the new Shares to be issued pursuant to the Subscription Agreement, the Connected Conversion Agreements and the Settlement Agreements;
“Specific Mandate”	means	the specific mandate to be sought at the EGM to grant the authority to the Board for the allotment and issue of the Subscription Shares, the Conversion Shares and/or the Settlement Shares from the Independent Shareholders;
“Subsidiary”	means	has the same meaning as in the Companies Ordinance as at the date hereof;
“Takeovers Code”	means	the Codes on Takeovers and Mergers and Share Buy-backs
“Taxation” and Tax”	means	all forms of taxation whether of Hong Kong or elsewhere in the world whenever imposed and all statutory, government, state, provincial, local governmental or municipal impositions, duties and levies and all penalties, charges, costs and interests relating thereto;
“Warranties”	means	the representations, warranties and undertakings on the part of the Company given pursuant to Clauses 5.1 to 5.3 and contained in Schedule 1, and the representations, warranties

and undertakings on the part of the Subscriber given pursuant to Clause 5.4 to 5.6 and Clauses 6.1 to 6.4;

“Whitewash Waiver” means a waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code of the obligations on the Concert Group (as defined in the Takeovers Code) to make a mandatory general offer under Rule 26 of the Takeovers Codes for all the issued New Shares of the Company (not already owned or agreed to be acquired by the Concert Group) as a result of the completion of the Subscription Agreement and the Connected Conversion Agreements

1.2 Construction and Certain References

- (a) Any reference to a document being **“in the agreed form”** means in the form of the document or the draft thereof signed or identification on behalf of the Company and the Subscriber with (in the case of a draft) such alterations (if any) as may be agreed between the Company and the Subscriber.
- (b) References in this Agreement to persons include references to bodies corporate and references to the singular include references to the plural and vice versa.
- (c) References to Recitals and Clauses are references to the recitals and clauses of this Agreement.
- (d) In this Agreement (save as otherwise expressly stated herein), references to any statute, statutory provision or Listing Rule includes a reference to that statute, statutory provision or Listing Rules as from time to time, amended, extended or re-enacted.

1.3 Headings

Headings are inserted for convenience only and shall not affect the interpretation of this Agreement.

2. CONDITIONS TO THE CONNECTED CONVERSION

2.1 Completion of the Connected Conversion is conditional upon :

- (a) the passing of the resolution(s) at the EGM by the Independent Shareholders to approve this Agreement and the transactions contemplated thereunder, including the granting of the Specific Mandate to allot and issue the Conversion Shares and the Whitewash Waiver;
- (b) the HKSE granting or agreeing to grant a listing of, and permission to deal in, the Subscription Shares, the Conversion Shares and the Settlement Shares to be issued (and such listing and permission not being subsequently revoked prior to Completion);

- (c) the Executive Director of the Corporate Finance Division of the SFC or any of his delegate granting a Whitewash Waiver in respect of the transaction contemplated under the Connected Conversion Agreements and the Subscription Agreement;
 - (d) the passing of the resolution(s) at the EGM by the Independent Shareholders to approve the Subscription Agreement and the transactions contemplated thereunder, including the granting of the Specific Mandate to allot and issue the Subscription Shares (as defined in the Subscription Agreement) and the Whitewash Waiver;
 - (e) the passing of the resolution(s) at the EGM by the Independent Shareholders to approve the Settlement Agreements and the transactions contemplated thereunder, including the granting of the Specific Mandate to allot and issue the Settlement Shares (as defined in the Settlement Agreements);
 - (f) the Company not having received written notice from the Stock Exchange indicating that the listing of the Shares on the Stock Exchange would be suspended, revoked or withdrawn; and
 - (g) the Warranties remain true, accurate and complete in all material respects immediately before the satisfaction of the last of the Conditions (other than the condition set out in this sub-clause (g)).
- 2.2 Save for the Conditions as stated in Clause 2.1 (g), which can be waived by the Subscribers or the Company (as the case may be), none of the Conditions as stated in Clause 2.1 can be waived by the Subscribers or the Company. If any of the Conditions as stated in Clauses 2.1 (a) to (f) are not satisfied, and in the case of Clause 2.1 (g), not satisfied or waived by the Subscriber or the Company (as the case may be), by the Long Stop Date (or such later time and/or date as the parties may agree in writing), this Agreement shall terminate forthwith, in which case Clause 7.2 shall apply.

3. THE CONNECTED CONVERSION

- 3.1 Subject to and in accordance with the terms and conditions set out in this Agreement, the Subscriber agrees to subscribe for 20,154,000 Conversion Shares at the Conversion Price and the Company agrees to allot and issue 20,154,000 Conversion Shares to the Subscriber, respectively in the full and final settlement of all the Settlement Amount, subject to the provisions of the Memorandum and the Articles on Completion.
- 3.2 The Subscriber and the Company confirm and acknowledge that immediately after the Connected Conversion, they agreed to set-off the Settlement Amount indebted and owed by the Company to the Subscriber against the Conversion Price payable by the Subscriber to the Company under the Connected Conversion, such that after the Connected Conversion the Company has been discharged and released from all obligations for repayment of the Settlement Amount.
- 3.3 Nothing herein contained shall prejudicially affect the right of the Lender to recover from the Company in respect of the remaining balance of the Outstanding Debts and interest thereon and such outstanding amount shall be fully repaid in cash upon Completion.
- 3.4 The Conversion Shares shall be free from all charges, liens, options, encumbrances, equities and other claims and interests and with all rights attaching thereto and shall rank

pari passu in all respects inter se and with all existing Shares in issue as at the date of the Completion, including all rights as to dividends, voting and return of capital.

4. COMPLETION OF THE CONNECTED CONVERSION

4.1 Completion of the Connected Conversion shall take place at the office of the Company on the Completion Date, or the next Business Day thereto if the intended Completion Date being a Disrupted Day, when all (but not part only) of the following business shall be transacted:

(a) the Subscriber and/or the respective nominees wholly owned by the Subscriber shall deliver to the Company an application for the Conversion Shares in a form to the reasonable satisfaction of both the Company and the Subscriber; and

(b) the Company shall deliver to the Subscriber and/or the respective nominees wholly owned by the Subscriber definitive share certificates for the Conversion Shares in board lots in denominations of 2,000 Shares per lot issued in the name of the Subscriber and/or his nominees and in accordance with instructions given in the application to be delivered as referred to above or, if so required by the Subscriber, share certificates in respect of the Conversion Shares subscribed by the Subscriber to the depository for HKSCC Nominees Limited for credit to such CCASS participants' accounts or investor participants' accounts as may be designated by Subscriber.

4.2 The Subscription Agreement, the Connected Conversion Agreements and the Settlement Agreements are inter-conditional and the completion of the Subscription, the Completion and the completion of the Settlement shall take place simultaneously.

5. COMPANY'S WARRANTIES, UNDERTAKINGS AND INDEMNITIES

5.1 The Company hereby represents, warrants and undertakes to the Subscriber that the terms set out in Schedule 1 are true, accurate and not misleading in all material respects on the date of this Agreement.

5.2 The Company undertakes to notify the Subscriber immediately in writing of any matter or event which becomes known to it prior to the Completion which shows any Warranties given by it to be or to have been untrue or inaccurate in any material respect.

5.3 The Company undertakes to the Subscriber that :

(a) it shall comply in all material respects with the terms and conditions of the Connected Conversion applicable to it;

(b) it shall procure to do all such acts and things as may reasonably be required to be done by it in relation to the Connected Conversion;

(c) it shall use reasonable endeavours to comply with the laws of Hong Kong and the Cayman Islands and all requirements of the HKSE and the SFC in order to enable the listing of the Shares to be maintained; and

(d) save for the transactions contemplated hereunder and the transactions contemplated under the Subscription Agreement and the Settlement Agreements,

it shall not create, allot or issue any securities of the Company prior to the Completion.

- 5.4 For the purpose of this Clause 5, the Subscriber shall not be entitled to make any claim:
- (a) in respect of any fact which has been publicly announced or disclosed in writing specifically to the Subscriber prior to the date of this Agreement;
 - (b) if the claim would not have arisen but for a change in legislation announced or enacted after the Completion Date (whether relating to taxation, rates of taxation or otherwise) whether or not the change purports to be effective retrospectively in whole or in part; and
 - (c) where the amount of any individual claim is less than HK\$1 million, save that the Company shall be liable for claims which, if calculated on an individual basis, would be less than HK\$1 million but which would in aggregate exceed HK\$1 million.
- 5.5 In the event that the aggregate amount of claims of the Subscriber made under or pursuant to this Agreement against the Company in relation to the Connected Conversion exceeds an amount equal to the Settlement Amount, no claim shall be made as to the excess.
- 5.6 No claim shall be made by the Subscriber under this Agreement against the Company after a period of 24 months from the Completion Date in relation to the Connected Conversion unless a demand in writing has been served on the Company prior to the expiry of such 24 months' period and legal proceedings in respect of such claim have been commenced within 24 months from the date of the said demand.
- 5.7 Nothing herein contained shall (or shall be construed to) release the Subscriber from his duty to mitigate his respective loss in respect of any claim made under or pursuant to this Agreement.
- 5.8 The Warranties given by the Company are given as at the date of this Agreement and will be deemed to be repeated at Completion with reference to the facts and circumstances then subsisting.
- 5.9 Each of the Warranties shall be construed as a separate Warranty and (save as expressly provided to the contrary) shall not be limited or restricted by reference to or inference from the terms of any other Warranties or any other term of this Agreement.

6. WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS OF THE SUBSCRIBER

- 6.1 The Subscriber hereby represents, warrants and undertakes to the Company that the following terms are true, accurate and not misleading in all material respects on the date of this Agreement:-
- (a) he shall, and shall procure his nominee(s) to accept the Conversion Shares subject to the provisions of the Articles;
 - (b) he shall subscribe the Conversion Shares on his own account and not for any third party;

- (c) the Subscriber has full power and authority to enter into and perform his obligations under this Agreement and this Agreement when duly executed will constitute legally binding obligations of the Subscriber;
- (d) all necessary approvals, consents, authorisations and licences required to be obtained by the Subscriber or his nominee (where applicable) in relation to the execution of this Agreement and the performance of this Agreement, including the Connected Conversion, will have been obtained upon Completion;

the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby by the Subscriber will not result in the breach or cancellation or termination of any of the terms or conditions of or constitute a default under any agreement, commitment or other instrument to which the Subscriber is a party or by which the Subscriber or his property or assets may be bound or affected or violate any law or any rule or regulation of any administrative agency or governmental body or any order, writ, injunction or decree of any court, administrative agency or governmental body affecting the Subscriber.

- 6.2 The Subscriber undertakes to and covenants with the Company that, unless in compliance with the requirements of the Listing Rules, the Subscriber shall not, in the period commencing on the date of Completion and ending on the date which is six months from the date of Completion, dispose of, or enter into any agreement to dispose of, any of the Conversion Shares.
- 6.3 The Subscriber hereby irrevocably agrees that his name can be mentioned and a description of this Agreement can be made in the Announcement and any other announcements, circulars, notices, publications and statements made in compliance with the applicable laws, rules and regulations in such manner as the Company may reasonably think fit.
- 6.4 The Subscriber shall procure that all information and documents relating to it reasonably required by the Company for the purpose of:
 - (a) preparing any announcement(s) and/or circular(s) required pursuant to the Listing Rules or the Takeovers Code or at the request of the HKSE or the SFC to be made by the Company in connection with the transactions contemplated by this Agreement; and
 - (b) as otherwise may reasonably be required by the HKSE or the SFC for the purposes of its vetting of any document referred to in Sub-clause (a) and/or answering any enquiries made by the HKSE or the SFC in relation to this Agreement and/or the transactions contemplated hereunder,

is made available to the Company and its respective advisers in a timely manner upon request for such information and/or documents by the Company.

- 6.5 The representations, warranties and undertaking contained in this Clause 6 shall remain in full force and effect notwithstanding Completion and the Trading Resumption (as the case may be). The Subscriber hereby undertakes to notify the Company of any matter or event coming to his/its attention prior to Completion or the Trading Resumption (as the

case may be) which shows any relevant representation or warranty to be or to have been untrue or inaccurate at the date hereof or at any time prior to Completion or the Trading Resumption (as the case may be).

- 6.6 The Warranties given by the Subscriber are given as at the date of this Agreement and will be deemed to be repeated at Completion with reference to the facts and circumstances then subsisting.

7. EVENTS OF TERMINATION

- 7.1 Notwithstanding anything contained in this Agreement, if at any time on or prior to 4:00 p.m. on the Completion Date (or such later time and/or date as the parties may agree in writing) any material breach of any of the Warranties comes to the knowledge of the Subscriber or the Company, then and in such case, the Subscriber or the Company may after consultation with the other party (to the extent that the same is reasonably practicable) terminate his/ its duties or obligation under this Agreement subject only to the provisions of Clause 7.2 and without any further liability and/or obligations to the other party by giving notice in writing to the other party, provided that such notice is received prior to 4:00 p.m. on the Completion Date (or such later time and/or date as the parties may agree in writing).

7.2 Effect of Termination

In the event that this Agreement is terminated pursuant to Clauses 2.2 and 7.1 :-

- (a) all obligations of parties to this Agreement hereunder shall cease and determine and no party hereto shall have any claim against any other in respect of any matter arising out of or in connection with this Agreement except for any antecedent breach of any obligation under this Agreement.

8. PRESS ANNOUNCEMENT AND CONFIDENTIALITY

The Company shall use its reasonable endeavours to cause the Announcement to be published in English and in Chinese following the date of this Agreement. Subject thereto, the parties to this Agreement shall keep the contents of this Agreement confidential and the Company shall not make any public announcement or communication regarding the Connected Conversion at any time before the Completion Date, unless otherwise required by law or the Listing Rules or the Takeovers Code or requested by the HKSE or the SFC.

9. FURTHER ASSURANCE

The Company undertakes to the Subscriber to execute and perform such further documents and acts as the Subscriber may reasonably require to give effect to the provisions of this Agreement and, in particular, effectively to allot and issue to, and vest in the Subscriber the legal and beneficial ownership of, the Conversion Shares.

10. GENERAL

- 10.1 Any variation to this Agreement shall be binding only if recorded in a document signed by the parties hereto. Unless expressly agreed by the parties hereto, no variation of this

Agreement shall constitute a general waiver of any provisions of this Agreement, nor shall it affect any rights, obligations or liabilities of the parties under or pursuant to this Agreement which have already accrued up to the date of variation, and the rights and obligations of the parties under or pursuant to this Agreement shall remain in full force and effect, except and only to the extent that they are so varied.

- 10.2 Any time, date or period mentioned in this Agreement may be extended by written agreement of the parties but as regards any time, date or period (originally fixed or extended from time to time as aforesaid), time shall be of the essence.
- 10.3 The rights and remedies provided in this Agreement are cumulative and not exclusive of (and shall not be construed to limit, affect or prejudice) any other rights or remedies available to the parties hereto and shall survive and not be affected by Completion.
- 10.4 No failure by any party to exercise, and no delay on his/ its part in exercising, any right hereunder will operate as a waiver thereof, nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise of it or the exercise of any right or prejudice or affect any right against any person under the same liability whether joint, several or otherwise.
- 10.5 None of the parties may assign or transfer any of their rights or obligations under this Agreement.
- 10.6 This Agreement and any other documents referred to in this Agreement, constitute the entire agreement between the parties relating to the Connected Conversion and supersedes all previous agreements between the parties or any of them in relation to the subscription of the Conversion Shares.
- 10.7 If at any time any provision of this Agreement is or becomes illegal, invalid and unenforceable in any respect under law of any jurisdiction, then such provision shall (so far as it is illegal, invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement. The parties shall then use all reasonable endeavours to replace the illegal, invalid or unenforceable provisions by a legal, valid and enforceable substitute provision the effect of which is as close as possible to the intended effect of the illegal, invalid or unenforceable provision.
- 10.8 This Agreement may be executed in any number of counterparts and by the parties to it on separate counterparts, each of which when so executed and delivered shall be an original binding on the party who shall have executed it, but all of which together constitute one and the same instrument.

11. **NOTICE**

- 11.1 All notices required or permitted to be given hereunder shall be given in writing in English delivered personally or sent by pre-paid registered post or by facsimile or by email to the party due to receive such notice at his/ its address or facsimile number or email address set out herein, or to such other address and/or facsimile number or email address as the relevant party shall have notified to the other parties hereto in accordance with the terms hereof.

The Subscriber

Address : 4/F, Blue Pool Court, 6 Holly Road, Happy Valley, Hong Kong
Facsimile No. : +852 2574 5511
Email : arthurlam@synergy-group.com
Attn. : LAM Arthur

The Company

Address : 15/F, Chinachem Century Tower, 178 Gloucester Road, Wanchai, Hong Kong
Facsimile No. : +852 2121 8022
Email : mansfieldwong@synergy-group.com
Attn. : WONG Man Fai Mansfield

11.2 A notice or other communication that complies with Clause 11.1 will be effective when given, and is deemed to have been given:

- (a) if delivered by hand, courier, fax or email at the time of delivery or completion of transmission, except as provided in Clause 11.3; and
- (b) if sent by recorded delivery post (i) to an address within the same country as the place of posting, at 9.00 am on the second Business Day after the day of posting; (ii) to an address outside the country of the place of posting, at 9.00 am on the fifth Business Day after the day of posting.

11.3 Effect of delivery by hand, courier, fax or email after 6.00 pm or on a non-Business Day:

- (a) If deemed delivery under Clause 11.2(a) occurs before 9.00 am on a Business Day, the notice or other communication is deemed delivered at 9.00 am on that day.
- (b) If deemed delivery under Clause 11.2(a) occurs after 6.00 pm on a Business Day or on a day which is not a Business Day, the notice or communication is deemed to have been given at 9.00 am on the next Business Day.

11.4 In this clause, a reference to time is to local time in the country in which the recipient of the notice or communication is located.

11.5 A party may notify the other party of a change to any of the details for it referred to in Clause 11.1. The notice must comply with the terms of Clause 11.1 and must state the date on which the change is to occur. That date must be on or after the third Business Day after the date on which the notice is delivered.

12. **GOVERNING LAW**

This Agreement is governed by and must be interpreted in accordance with Hong Kong law.

13. **ENFORCEMENT**

13.1 Jurisdiction

- (a) The courts of Hong Kong have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement) (a "**Dispute**").
- (b) The parties agree that the courts of Hong Kong are the most appropriate and convenient courts to settle Disputes and accordingly no party to this Agreement will argue to the contrary.

13.2 Service of process

Without prejudice to any other mode of service allowed under any relevant law, each of the parties irrevocably agrees that his/ its service address in Hong Kong set out in Clause 11 of this Agreement shall be an effective address for service on it in relation to any proceedings before the Hong Kong courts in connection with this Agreement.

14. **THIRD PARTY RIGHTS**

- 14.1 A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Cap 623) to enforce this Agreement.

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

Lam Arthur

For and on behalf of **Synergy Group Holdings International Limited**

Signed by: _____

Name: _____

Title: _____

SCHEDULE 1

WARRANTIES

- (a) the matters (to the extent that they relate to the Company) set out in Recitals are true and accurate;
- (b) the Conversion Shares will be allotted and issued in accordance with the Memorandum and Articles, all relevant laws of Hong Kong and the Cayman Islands and the rules and regulations of the HKSE and will rank *pari passu* in all respects *inter se* and with all other Shares in issue as at the Completion Date;
- (c) the Company has full power and authority to allot and issue the Conversion Shares and does not require the consent thereto of any other party (save the approval and consents referred to in Clause 2.1);
- (d) No order has been made or petition presented or resolution passed for the winding up of the Company, nor has any distress, execution or other process been levied against the Company or action taken to repossess goods in the possession of the Company.
- (e) No steps have been taken for the appointment of an administrator or receiver of any part of the property or undertaking of the Company.
- (f) subject to the Conditions, all authorities necessary to enable the Conversion Shares to be allotted and issued by the Company to the Subscriber have been obtained;
- (g) subject to the Conditions, the Company has power to enter into this Agreement and this Agreement has been duly authorised (except for the satisfaction of the Conditions) and executed by, and constitutes legally binding obligations of the Company and the creation of the Conversion Shares and their allotment and issue pursuant to this Agreement will not cause any material breach of any agreement to which the Company and/or any of its subsidiaries is a party or by which it is or any of them is bound and will not infringe or exceed any limits on, powers of, or restrictions on or the terms of any contract, obligations or commitment whatsoever of, the Company and/or any of its subsidiaries and/or their respective boards of directors;
- (h) the Conversion Shares will on allotment and issue be fully paid at the Conversion Price per Share and free from all liens, charges, encumbrances and third party rights of whatsoever nature and together with all rights attaching thereto at the Completion Date including the right to receive all dividends and other distributions which may be declared, made or paid in respect of the Shares, the record date for which shall fall on or after the Completion Date;
- (i) the Company is duly incorporated in and under the laws of its place of incorporation;
- (j) the Company will not from the date hereof enter into any contract or commitment with, any other person with a view to a transaction taking place which would preclude or materially restrict or delay the transaction contemplated under this Agreement;
- (k) the Announcement contains and will contain all information required to be set out therein under the Listing Rules and all other applicable codes, regulations (whether or

not having the force of law) and legislation in Hong Kong and the Cayman Islands in all material respects;

- (l) the execution, delivery and performance of this Agreement and the carrying out of the transactions contemplated by this Agreement do not involve any violation of, breach of or default under the documents constituting the Company;
- (m) the Company shall not from the date hereof until after completion of the Connected Conversion issue any Shares or issue or grant any share options or other securities convertible into, exchangeable for or which carry rights to acquire Shares.