

Dated the 23rd day of August 2022

FUJINCHENG INVESTMENT HOLDINGS CO., LTD
(the “Subscriber”)

and

STANDARD DEVELOPMENT GROUP LIMITED
(標準發展集團有限公司)
(the “Company”)

SUBSCRIPTION AGREEMENT
for 150,000,000 Shares in
STANDARD DEVELOPMENT GROUP LIMITED
(標準發展集團有限公司)

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THIS AGREEMENT is made on the 23rd day of August 2022

- (1) **FUJINCHENG INVESTMENT HOLDINGS CO., LTD**, a company incorporated with limited liability in the British Virgin Islands having its registered office at Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands (the “Subscriber”); and
- (2) **STANDARD DEVELOPMENT GROUP LIMITED (標準發展集團有限公司)**, a company incorporated with limited liability in the Cayman Islands having its registered address at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and its principal place of business in Hong Kong at Room 1409-10, 14/F, Cosco Tower, 183 Queen’s Road Central, Sheung Wan, Hong Kong, whose shares are listed on the Main Board of the Stock Exchange (Stock Code:1867) (the “Company”).

WHEREAS :

- (A) As at the date hereof, the Company has an authorised share capital of HK\$20,000,000 divided into 2,000,000,000 Shares, of which 1,344,000,000 Shares are in issue.
- (B) As at the date hereof, the Subscriber directly holds 968,460,000 Shares, representing approximately 72.06% of the total number of issued Shares.
- (C) The Subscriber has agreed to subscribe for, and the Company has agreed to issue and allot to the Subscriber, 150,000,000 new Shares, under the Specific Mandate subject to the conditions thereof.
- (D) Accordingly, this Agreement and the transactions contemplated under this Agreement constituted a connected transaction pursuant to the Chapter 14A of the Listing Rules.

NOW IT IS HEREBY AGREED as follows :

1. **DEFINITIONS AND INTERPRETATION**

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

“Agreement”	this conditional subscription agreement (including its Recitals), as may be amended or supplemented from time to time;
“Board”	the board of Directors;
“Business Day”	any day (excluding a Saturday) on which banks in Hong Kong are opened for business throughout their normal business hours;

“CCASS”	the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited;
“Completion”	completion of the subscription of the Subscription Shares pursuant to Clause 4;
“Completion Date”	the date on which the Completion takes place, being the third Business Day immediately following the date on which all the conditions set out in Clause 3.1 are fulfilled;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held for the purposes of approving this Agreement and the transactions contemplated hereunder (including without limitation, (a) the allotment and issue of the Subscription Shares to the Subscriber; and (b) the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares to the Subscriber);
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	Shareholder(s) other than: (i) the Subscriber and its associates (if any); and (ii) those who have a material interest in the Subscription or any other person who is required by the Listing Rules to abstain from voting on the resolution(s) approving the Subscription, the allotment and issue of the Subscription Shares and other transactions contemplated hereunder;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Long Stop Date”	31 October 2022 (or such later date as the parties may agree in writing);
“PRC”	the People’s Republic of China;
“Shareholders”	the holders of Shares;
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company;
“Specific Mandate”	the specific mandate to be granted by the Independent Shareholders to the Board for the allotment and issue of the Subscription Shares to the Subscriber;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“Subscription”	subscription of the Subscription Shares pursuant to this Agreement;
“Subscription Price”	HK\$0.23 per Subscription Share;
“Subscription Shares”	150,000,000 new Shares to be allotted and issued pursuant to this Agreement;
“Warranties”	the warranties, representations, undertakings and agreements of the Company set out in Clause 5;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“%”	per cent.

1.2 In this Agreement :

- (a) references to costs, charges, remuneration or expenses shall include any value added tax, turnover tax or similar tax charged in respect thereof;
- (b) references to Hong Kong dollars and HK\$ shall be construed as references to the lawful currency for the time being of Hong Kong;
- (c) references to any action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than Hong Kong, references to such action, remedy or method of judicial proceedings for the enforcement of rights or creditors available or appropriate in such jurisdiction as shall most nearly approximate thereto;
- (d) words denoting the singular number only shall include the plural number also and vice versa;
- (e) words denoting one gender only shall include the other genders and the neuter and vice versa;
- (f) words denoting persons only shall include firms and corporations and vice versa;
- (g) references to any provision of any statute (including the Listing Rules) shall be deemed also to refer to any modification or re-enactment thereof or any instrument, order or regulation made thereunder or under such modification or re-enactment; and
- (h) references to any document in the agreed form is to such document which has been initialed by the parties for identification.

1.3 Headings shall be ignored in construing this Agreement.

2. **SUBSCRIPTION OF THE SUBSCRIPTION SHARES**

2.1 Subject to the conditions set out in Clause 3.1 being fulfilled at or before 5:00 p.m. (Hong Kong time) on the Long Stop Date, the Company agrees to issue the Subscription Shares to the Subscriber and the Subscriber relying on the Warranties agrees to subscribe for the Subscription Shares at the Subscription Price in accordance with the terms and conditions of this Agreement.

2.2 The Company and the Subscriber agree and confirm that the Subscriber shall not be obliged to complete the Subscription unless the subscription of all the Subscription Shares shall be completed simultaneously.

2.3 The aggregate Subscription Price of the Subscription Shares under this Agreement shall be HK\$34,500,000, which shall be paid by the Subscriber to the Company on or before the Completion Date, via wire transfer.

3. **CONDITIONS PRECEDENT**

3.1 Completion of the Subscription under this Agreement is conditional upon the following conditions being fulfilled at or before 5:00 p.m. (Hong Kong time) on the Long Stop Date:

- (a) this Agreement and the transactions contemplated hereunder including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares having been approved by the Independent Shareholders at the EGM; and
- (b) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Subscription Shares.

3.2 If any of the conditions specified in Clause 3.1 is not fulfilled on or before the Long Stop Date, this Agreement (except Clause 1, this Clause 3.2 and Clauses 7, 11 to 16) shall forthwith become null and void and cease to have any effect whatsoever and neither party shall have any claims against the other for costs, damages, compensations or otherwise (save for liabilities for any antecedent breaches of this Agreement).

3.3 Each of the parties hereto undertakes with the other party that it shall exercise its reasonable endeavours to procure the fulfilment of the conditions specified in Clause 3.1, including without limitation, by making all necessary applications forthwith upon the signing of this Agreement and the timely supply of information to the Stock Exchange and/or the Securities and Futures Commission of Hong Kong.

4. **COMPLETION**

4.1 Subject to fulfillment of the conditions set out in Clause 3.1, Completion shall take place at the principal place of business of the Company in Hong Kong at 5:00 p.m. (Hong Kong time) on the Completion Date.

4.2 At Completion :

- (a) the Subscriber shall deliver to the Company the following documents :
 - (i) evidence of wire transfer in the sum referred to in Clause 2.3 to an account designated by the Company; and

- (ii) the letter of application for the Subscription Shares duly signed by the Subscriber; and
- (b) the Company shall allot and issue to the Subscriber the Subscription Shares and shall effect the registration of the Subscriber as the holder of the Subscription Shares without registration fee, update the register of members of the Company and deliver or cause to be delivered to the Subscriber the following documents :
 - (i) definitive document(s) of title in respect of the Subscription Shares in favour of the Subscriber or as the Subscriber may request or deposit the same in CCASS in accordance with the instructions of the Subscriber; and
 - (ii) evidence reasonably satisfactory to the Subscriber that the conditions set out in Clause 3.1 have been fulfilled.

4.3 The Subscriber shall not be obliged to complete the transactions hereunder unless the Company and the Subscriber comply fully with their respective obligations under Clause 4.2.

5. **REPRESENTATIONS AND WARRANTIES**

5.1 The Company represents, warrants and undertakes with the Subscriber in the terms set out in this Clause 5.

5.2 Save as mentioned in this Agreement, each of the parties represents and warrants with the other that it has the authority and capacity to enter into and perform this Agreement, and that the entering into this Agreement, each of the parties does not do so in breach of any applicable legislation or regulations subject only to the fulfilment of the conditions set out in Clause 3.1 which at Completion shall have been fulfilled.

5.3 The Company represents, warrants and undertakes with the Subscriber that the Subscription Shares, when allotted and issued to the Subscriber, will be fully paid or credited as fully paid and free from all encumbrances.

5.4 The Company agrees and acknowledges that the Subscriber is entering into this Agreement in reliance on the Warranties.

5.5 All Warranties are deemed to be made on the date of this Agreement and are repeated every day until Completion and on Completion.

5.6 None of the Warranties shall be limited or restricted by reference to or inference from the terms of any other Warranties or any other term of this Agreement.

6. **FURTHER ASSURANCE**

Each of the parties hereto undertakes to the other party 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.

7. **RESTRICTIONS ON COMMUNICATION AND ANNOUNCEMENTS**

7.1 Each of the parties hereto undertakes to the other that it shall 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 the Listing Rules, any laws or any rules of any relevant stock exchanges or regulatory bodies, 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 which may be within or may come to its knowledge in connection with the transactions contemplated by this Agreement and it shall use its best endeavours to prevent the publication or disclosure of any such confidential information concerning such matters. This restriction shall not apply to information or knowledge which is or which properly comes into the public domain, through no fault of any of the parties to this Agreement or to information or knowledge which is already known to Subscriber at the time of its receipt.

7.2 Each of the parties hereto undertakes with the other that it shall not at any time (save as required by the Listing Rules, any laws or any rules of any relevant stock exchanges or regulatory bodies) make any announcement in connection with this Agreement unless the other party hereto shall have given its consent to such announcement (which consent may not be unreasonably withhold or delayed and may be given either generally or in a specific case or cases and may be subject to conditions). If any party is required by the Listing Rules, any laws or any rules of any relevant stock exchanges or regulatory bodies to make any announcement in connection with this Agreement, the other party agrees to supply all relevant information relating to itself that is within its knowledge or in its possession as may be reasonably necessary or as may be required by any exchanges and regulatory bodies to be included in the announcement.

8. **PARTIAL INVALIDITY**

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect in any jurisdiction, the legality, validity and enforceability in other jurisdictions or of the remaining provisions of this Agreement shall not be affected or impaired thereby.

9. **ASSIGNMENT**

Each party may not assign any of its rights or obligations under this Agreement without the consent of the other party.

10. **CONTINUING EFFECT OF AGREEMENT**

Any provision of this Agreement which is capable of being performed after Completion but which has not been performed at or before Completion and all Warranties and other representations and warranties and other undertakings contained in or entered into pursuant to this Agreement shall remain in full force and effect notwithstanding Completion.

11. GENERAL

11.1 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 neither party shall have any claim in connection therewith.

11.2 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.

11.3 Time shall be of the essence of this Agreement but no failure by any party to exercise, and no delay on its part in exercising any right hereunder shall 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 the other. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

11.4 No delay or failure by a party to exercise or enforce (in whole or in part) any right provided by this Agreement or by law shall operate as a release or waiver, or in any way limit that party's ability to further exercise or enforce that, or any other, right. A waiver of any breach of any provision of this Agreement shall not be effective, or implied, unless that waiver is in writing and is signed by the party against whom that waiver is claimed. In the event of a default by either party in the performance of their respective obligations under this Agreement, the non-defaulting party shall have the right to obtain specific performance of the defaulting party's obligations. Such remedy shall be in addition to any other remedies provided under this Agreement or at law.

11.5 No amendment to this Agreement will be effective unless it is in writing and signed by both parties. No consent or approval to be given pursuant to this Agreement will be effective unless it is in writing and signed by the relevant party.

11.6 Each party shall bear its own costs and expenses (including legal costs) incurred in connection with the negotiation, preparation and completion of this Agreement.

12. NOTICES

12.1 Any notice claim, demand, court process, document or other communication to be given under this Agreement (collectively "**communication**" in this Clause) shall be in writing in the English or Chinese language and may be served or given personally or sent to the telex or facsimile numbers (if any) of the relevant party and marked for the attention and/or copied to such other person as specified in Clause 12.4. In the case whereby there are discrepancies between the English and Chinese communications, English shall prevail.

12.2 A change of address or telex or facsimile number of the person to whom a communication is to be addressed or copied pursuant to this Agreement shall not be effective until five days after a written notice of change has been served in accordance with the

provisions of this Clause 12 on the other party to this Agreement with specific reference in such notice that such change is for the purposes of this Agreement.

12.3 All communications shall be served by the following means and the addressee of a communication shall be deemed to have received the same within the time stated adjacent to the relevant means of despatch :

<u>Means of despatch</u>	<u>Time of deemed receipt</u>
Local mail or courier	24 hours
Telex	on despatch
Facsimile	on despatch
Air courier/Speedpost	3 days
Airmail	7 days

12.4 The initial addresses and facsimile numbers of the parties for the service of communications, the person for whose attention such communications are to be marked and the person to whom a communication is to be copied are as follows :

If to the Company :

Address : Room 1409-10, 14/F, Cosco Tower
183 Queen's Road Central
Sheung Wan
Hong Kong
Facsimile no. : (852) 3795 2867
Attention : The Board of Directors

If to the Subscriber :

Address : 21/F., Grand Millennium Plaza
181 Queen's Road Central
Sheung Wan
Hong Kong
Attention : Mr. Liu Zhancheng

12.5 A communication served in accordance with this Clause 12 shall be deemed sufficiently served and in proving service and/or receipt of a communication it shall be sufficient to prove that such communication was left at the addressee's address or that the envelope containing such communication was properly addressed and posted or despatched to the addressee's address or that the communication was properly transmitted by telex, facsimile or cable to the addressee. In the case of communication by telex, such communication shall be deemed properly transmitted upon the receipt by the machine sending the telex the telex answerback of the addressee; in the case of facsimile transmission, such transmission shall be deemed properly transmitted on receipt of a report of satisfactory transmission printed out by the sending machine.

12.6 Nothing in this Clause shall preclude the service of communication or the proof of such service by any mode permitted by law.

13. **GOVERNING LAW**

13.1 This Agreement is governed by and shall be construed in accordance with Hong Kong law.

13.2 The courts of Hong Kong are to have jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and accordingly any legal action or proceedings arising out of or in connection with this Agreement may be brought in such courts.

14. **COUNTERPARTS**

This Agreement may be executed by the parties hereto in any number of counterparts 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. A party may execute this Agreement and the documents referred to herein on a facsimile copy counterpart and deliver its signature and seal by facsimile.

15. **THIRD PARTY RIGHTS**

Except as expressly provided elsewhere in this Agreement, no person other than the parties to this Agreement would have any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce, make or pursue any claim, or enjoy the benefit of any of the provision of this Agreement.

16. **PROCESS AGENT**

The Subscriber hereby irrevocably appoints Mr. Liu Zhancheng of 21/F., Grand Millennium Plaza, 181 Queen's Road Central, Sheung Wan, Hong Kong as its agent to accept service of legal process out of the courts of Hong Kong in connection with this Agreement. The Subscriber further agrees to maintain a duly appointed agent in Hong Kong to accept service of process out of the courts of Hong Kong and to keep the other parties informed of the name and address of such agent. Service on such process agent (or its substitute appointed pursuant to the procedures described above) shall be deemed to be service on the Subscriber.

AS WITNESS where of this Agreement has been duly executed on the date first above written.

THE SUBSCRIBER

SIGNED by

for and on behalf of

FUJINCHENG INVESTMENT HOLDINGS CO., LTD

in the presence of :

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) 刘 (志 强)
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THE COMPANY

SIGNED by

for and on behalf of
STANDARD DEVELOPMENT GROUP LIMITED
(標準發展集團有限公司)

in the presence of :

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