

DATED 6th December 2024

XINMING CHINA HOLDINGS LIMITED
(the Company)

AND

ADVENT SECURITIES (HONG KONG) LIMITED
(the Placing Agent)

PLACING AGREEMENT
RELATING TO THE PLACING OF UP TO
83,777,972 RIGHTS SHARES IN THE SHARE
CAPITAL OF
XINMING CHINA HOLDINGS LIMITED
TO BE ISSUED UNDER THE RIGHTS ISSUE ON THE
BASIS OF FOUR (4) RIGHTS SHARES FOR EVERY
ONE (1) SHARE HELD ON THE RECORD DATE

THIS PLACING AGREEMENT is made on 6th day of December 2024

BETWEEN:

- (1) **XINMING CHINA HOLDINGS LIMITED**, a company incorporated in Cayman Islands with limited liability and having its registered office at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and having its principal place of business in Hong Kong at Suite Unit D, 7/F, Kee Shing Centre, 74-76 Kimberley Road, Tsim Sha Tsui, Kowloon, Hong Kong (the “**Company**”);

AND

- (2) **ADVENT SECURITIES (HONG KONG) LIMITED**, a company incorporated in Hong Kong with limited liability with Company No. 2253721 and having its registered office situated at Unit A-C, 11/F, Kee Shing Centre, 74-76 Kimberley Road, Tsim Sha Tsui, Kowloon, Hong Kong (the “**Placing Agent**”)

The Company and the Placing Agent shall hereinafter be collectively referred to as the “**Parties**” and each individually as a “**Party**”.

WHEREAS:

- (A) Issued Existing Shares (as defined below) in the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 2699), and at the juncture of execution of this Agreement, the Company has issued and allotted 1,878,622,000 Existing Shares all of which are fully paid up, and apart from the Existing Shares, no other class of shares in the Company is in issue;
- (B) The Company has agreed to appoint the Placing Agent, a corporation licensed to carry on Type 1 (dealing in securities) regulated activity by the SFC (as defined below) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as the sole and exclusive placing agent to conduct the Placing on best-effort basis, and the Placing Agent has agreed to act as placing agent in that capacity; and
- (C) The Company has agreed to issue, and the Placing Agent has agreed to use its best efforts to procure Placees (as defined below) to subscribe for, the Unsubscribed Rights Shares at the Placing Price (as defined below) on the terms and subject to the conditions set out in this Agreement.

NOW IT IS HEREBY AGREED as follows:

1. **INTERPRETATION**

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

“**Actions**” shall have the same meaning as set out in Clause 7.1;

“**Agreement**” this Placing Agreement as amended or varied from time-to-time in writing duly executed and delivered by the Parties;

“Business Day”	a day (excluding Saturdays) on which banks are generally open for business in Hong Kong; and for all other purposes, a day on which the Stock Exchange is open for transaction of business;
“Capital Reduction”	the proposed reduction of the issued share capital of the Company whereby (i) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; and (ii) the par value of each issued Consolidated Share will be reduced from HK\$1.00 to HK\$0.01 by cancelling the paid-up share capital of the Company to the extent of HK\$0.99 on each issued Consolidated Share;
“Capital Reorganisation”	the proposed capital reorganisation involving the Share Consolidation, the Capital Reduction and the Share Subdivision;
“Company Information”	shall have the same meaning as set out in <u>Schedule 1</u> ;
“Compensatory Arrangements”	the arrangement involving the placing of the Unsubscribed Rights Shares, if any, by the Placing Agent on a best-effort basis pursuant to this Agreement in accordance with Rule 7.21(1)(b) of the Listing Rules;
“Completion”	completion of the Placing as described and particularised in <u>Clause 5</u> herein;
“Completion Date”	if all of the conditions in Clause 5 have been satisfied on or before a date to be determined by the Company, completion of the Placing regardless of the number of Placing Shares placed / subscribed shall take place within eleven Business Days after fulfilment of all of the conditions in Clause 5 or such other date as the Company and the Placing Agent may agree in writing;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time;
“Conditions”	the conditions precedent set out in <u>Clause 2.1</u> ;
“Consolidated Share(s)”	the ordinary share(s) of par value of HK\$1.00 each in the share capital of the Company immediately after the Share Consolidation becoming effective;
“Directors”	directors of the Company;
“Encumbrance”	a mortgage, charge, pledge, <i>lien</i> , option, restriction, right of first refusal, right of pre-

	emption, third-party right or interest, other encumbrance or security interest of any kind, or any other type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect;
“Existing Share(s)”	the 1,878,622,000 ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company before the Share Consolidation;
“Final Accounts”	shall have the same meaning as set out in <u>Schedule 1</u> ;
“Group”	the Company and its Subsidiaries;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Indemnified Person(s)”	shall have the same meaning as set out in <u>Clause 7.1</u> ;
“Independent Third Party”	third party(ies) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, are independent of and not acting in concert or connected with the Company and its connected persons or any of their respective associates;
“Latest Time for Termination”	4:00 p.m. on 2 June 2024, or such later date as may be agreed in writing between the Placing Agent and the Company, being the date on or before the fulfillment of all the conditions as set out in <u>Clause 2.1</u> ;
“Levies”	the following expenses relating to the Placing, including the Company’s portion of the SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565%, the Financial Reporting Council levy of 0.00015% and if applicable, any Hong Kong <i>ad valorem</i> stamp duty, which Levies shall be settled by the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Losses”	shall have the same meaning as set out in <u>Clause 7.1</u> ;
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) in respect of whom the Directors, based on legal advice provided by legal advisers in the relevant jurisdictions, consider it necessary or expedient to exclude from the Rights Issue, on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place;

“NQS Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form;
“Overseas Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company as at the close of business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong;
“Parties”	the Parties to this Agreement and their respective successors and permitted assigns and “Party” means either of them;
“Placee(s)”	any person or entity whom the Placing Agent and/or any of its agent(s) have procured to place the Unsubscribed Rights Shares pursuant to the Placing;
“Placing”	the placing of a maximum of (i) 75,144,880 Unsubscribed Consolidated Shares; or (ii) 83,777,972 Unsubscribed Consolidated Shares (upon full exercise or conversion of the outstanding convertible bonds) on a best-effort basis by the Placing Agent to the Placees on the terms and conditions of this Agreement;
“Placing Commission”	shall have the same meaning as set out in <u>Clause 6.1</u> ;
“Placing Price”	shall have the same meaning as set out in <u>Clause 3.1</u> ;
“Placing Period”	means the period from Tuesday, 25 March 2025 up to 4:00 p.m. on Thursday, 3 April 2025, or such other date as the Company may announce, being the period during which the Placing Agent will seek to effect the Compensatory Arrangements;
“Qualifying Shareholders”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear on the register of members of the Company on the Record Date;
“Record Date”	on a date as the Company may determine, being the date of reference to which the Shareholders’ entitlements to the Rights Issue are to be determine;
“Rights Issue”	the proposed issue of four (4) Rights Shares for every one (1) Consolidated Share held at the close of business on the Record Date at the Subscription Price to the Qualifying Shareholders payable in full on acceptance;

“Rights Share”	the new Share(s) proposed to be allotted and issued by the Company pursuant to the Rights Issue;
“SFC”	the Securities and Futures Commission of Hong Kong;
“Shareholders”	holder(s) of the Existing Shares or Consolidated Shares, as the case may be;
“Shares”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company prior to the Capital Reorganisation becoming effective;
“Share Consolidation”	the proposed consolidation of every one hundred (100) Existing Shares of par value HK\$0.01 each into one (1) Consolidated Share of par value HK\$1.00 each in the share capital of the Company;
“Share Subdivision”	the proposed subdivision of each of the authorised but unissued Consolidated Shares of HK\$1.00 each into one hundred (100) authorized but unissued Adjusted Shares of HK\$0.01 each;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the subscription price of HK\$1.12 per Rights Share to be determined by the Company;
“Subsidiaries”	has the meaning ascribed to it in the Companies Ordinance;
“Unsubscribed Rights Shares”	those Rights Shares that are not subscribed by the Qualifying Shareholders and the NQS Rights Shares that are not successfully sold by the Company in respect of the Unsubscribed Rights Shares and the Compensatory Arrangements; and
“Warranties”	the representations, warranties and undertakings of the Company as set out in <u>Clauses 3 and 4A</u> and <u>Schedule 1</u> .

1.2 In this Agreement, unless otherwise specified,

- 1.2.1 references to Recitals, sections, Clauses, paragraphs and Schedules are to recitals, sections, clauses, paragraphs of and schedules to this Agreement;
- 1.2.2 a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted;
- 1.2.3 references to a company shall be construed so as to include any company, corporation or other body corporate, whenever and however incorporated or established;

- 1.2.4 references to a person shall be construed so as to include any individual, firm, company, government, state or agency of a state or any joint venture, association or partnership (whether or not having separate legal personality);
- 1.2.5 references to writing or written shall include any modes of reproducing words in a legible and non-transitory form;
- 1.2.6 references to times of the day are, unless otherwise specified, to Hong Kong time;
- 1.2.7 headings to Clauses, sections and Schedules are for convenience only and do not affect the interpretation of this Agreement;
- 1.2.8 the Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement shall include the Schedules; and
- 1.2.9 words in the singular shall include the plural (and *vice versa*) and words importing one gender shall include the other gender.

2. CONDITIONS

- 2.1 The Placing is conditional upon the fulfillment of the following conditions on or before the Latest Time for Termination (or such later date as may be agreed in writing between the Placing Agent and the Company): (the “**Conditions**”):
 - (a) the Listing Committee granting the approval for the listing of, and the permission to deal in, the Rights Shares;
 - (b) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of this Agreement and the transactions contemplated thereunder having been obtained; and
 - (c) the obligations of the Placing Agent under this Agreement not being terminated in accordance with the terms of this Agreement.
- 2.2 This Agreement can only be terminated by mutual written confirmations by the Company and the Placing Agent.

The engagement of the Placing Agent may also be terminated by the Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill its duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent’s knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect..

3. PLACING

- 3.1 Subject to the provisions of this Agreement, the Company hereby appoints the Placing Agent as the sole and exclusive placing agent to the exclusion of all others to conduct the Placing on best-effort basis, and the Placing Agent, relying on the Warranties, agrees to act as sole and exclusive agent to conduct the Placing for the Company during the Placing Period on a best-effort basis by procuring the Placee(s) to subscribe the Unsubscribed Rights Shares at the price

not less than the Subscription Price (the “**Placing Price**”). The final price will be determined based on the demand for and market conditions of the Unsubscribed Rights Shares at the time of placement.

- 3.2 The Company hereby confirms that the appointment of the Placing Agent confers on the Placing Agent, in accordance with the provisions hereof, all powers, authorities and discretion on behalf of the Company which are necessary for, or reasonably incidental to, the Placing.
- 3.3 Any transaction properly and lawfully carried out by the Placing Agent pursuant to this Agreement shall constitute a transaction carried out at the request of the Company. The Company agrees, promptly on reasonable request by the Placing Agent, so far as it lies within the Company’s power, to execute or do, or procure that there shall be executed and done, all such deeds, documents and things as the Placing Agent may deem necessary for such purposes.
- 3.4 Further, the Company agrees to ratify and confirm everything which the Placing Agent may lawfully, reasonably and properly do in the exercise of such powers, authorities and discretion in accordance with this Agreement.
- 3.5 The Unsubscribed Rights Shares shall only be offered by the Placing Agent to Placee(s) who and whose ultimate beneficial owner(s) are not Shareholders and are Independent Third Party(ies) and not acting in concert with any of the Company’s connected persons.
- 3.6 The Placing Agent shall use its reasonable endeavours to ensure that:
 - (a) it will not offer or place any of the Unsubscribed Rights Shares to or with any person, firm or company which is not an Independent Third Party; and
 - (b) the terms of the placing letter with the Placees shall not be in breach of the terms of this Agreement.
- 3.7 Any transaction legally, properly and reasonably carried out by the Placing Agent shall constitute a transaction carried out at the request of the Company and as its agent and not in respect of the Placing Agent's own account.
- 3.8 The Company undertakes with the Placing Agent that it shall do all such other acts and things as may be reasonably required by the Placing Agent to be done by it to carry into effect the Placing in accordance with the terms of this Agreement.
- 3.9 The Company further undertakes with the Placing Agent that (i) the Unsubscribed Rights Shares are to be free and clear of all Encumbrances, equities or other third party rights of any kind, and (ii) the Unsubscribed Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves with the Existing Shares then in issue.
- 3.10 Following Completion, all obligations and liabilities of the Placing Agent under this Agreement shall cease, save and except Clauses 3, 4 and 6 which shall survive Completion.

4. UNDERTAKINGS OF THE PLACING AGENT

- 4.1 The Placing Agent shall, forthwith upon the expiration of the Placing Period, deliver to the Company:
 - (a) the placee list; and

- (b) a letter signed by each Placee for confirmation of (i) the relevant number of Unsubscribed Rights Shares to be subscribed by the Placee concerned, and (ii) the Placee is an Independent Third Party.

4.2 The Placing Agent further represents, warrants and undertakes that:

- (a) the Placing Agent shall ensure that the Placing is conducted in accordance with the Listing Rules and (i) the Placing will not have any implication under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and (ii) does not cause the Company's public float to decrease to below 25%, it is expected that none of the Placees will become a substantial Shareholder. If any of the Placees will become a substantial Shareholder after completion of the Placing, the Placing Agent shall notify the Company;
- (b) The Placing Agent being an indirect wholly-owned subsidiary of the Company is not a connected person of the Company or any member of the Group or their respective connected persons or associates (as defined in the Listing Rules);
- (c) the Placees shall, to the best of the knowledge and belief of the Placing Agent, be investors who are Independent Third Parties and who are also independent of and not acting in concert with any of the directors, chief executives or substantial shareholders of the Company, or of any member of the Group or their respective or their respective connected persons or associates (as defined in the Listing Rules);
- (d) the Unsubscribed Rights Shares shall not be offered or sold (including in the case of an on-sale by the Placing Agent) in Hong Kong by means of any document or in circumstances which will constitute an offer to the public within the meaning of the Companies Ordinance, and that no invitation or advertisement relating to the Placing shall be made or issued in Hong Kong other than to persons whose business involves the acquisition, disposal or holding of securities, whether as principal or agent;
- (e) the Placing Agent has full power and authority to enter into this Agreement and obtain all necessary corporate action to authorise the execution and performance of this Agreement; and
- (f) the Placing Agent confirms and undertakes that it has not made and shall not make to any person to whom any Unsubscribed Rights Shares may be offered any representation or statement regarding the Company, the Group or the financial or business position or prospects of the Company or of the Group which was not or is not, at the time of making the same, general public knowledge.

4.3 The Placing Agent undertakes to the Company to comply with the laws of Hong Kong, the Listing Rules and all requirements of the Stock Exchange and other relevant governmental or regulatory authorities to enable the listing of, and permission to deal in, Unsubscribed Rights Shares.

4.4 The Placing Agent undertakes that the subscription shall be effected by telephone or email conversations leading to concluded contracts which shall then be confirmed by letter of confirmation.

4A. WARRANTIES OF THE COMPANY

- 4A.1 The Company represents, warrants and undertakes to the Placing Agent in the terms set out in Clause 3, this Clause 4A and Schedule 1. The Warranties shall be deemed to be repeated by the Company at Completion.
- 4A.2 The Company undertakes to notify the Placing Agent promptly in writing of any change which takes place or comes into the knowledge of the Company prior to Completion which, in the view of the Company, would or would be likely to render untrue or inaccurate any of the Warranties.

5. COMPLETION

- 5.1 Subject to the fulfillment of the conditions set out in Clause 2.1, Completion shall take place at 4:00 p.m. on the Completion Date (or at such other time or venue as the Parties may otherwise agree in writing).
- 5.2 At Completion,
- (a) the Company shall deliver share certificate(s) of the Unsubscribed Rights Shares in the number subscribed by the respective Placee(s) to the Placing Agent; and
 - (b) the Placing Agent shall deliver a cashier order or cheque to the Company for the aggregate amount received in the Placing of the Unsubscribed Rights Shares, with the Placing Commission and other expenses deducted therefrom in accordance with Clause 6.1 and 6.2.
- 5.3
- (i) This Agreement can only be terminated by mutual written confirmations by the Company and the Placing Agent.
 - (ii) The engagement of the Placing Agent may also be terminated by the Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill its duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.
- 5.4 In the event that this Agreement and the Placing is terminated pursuant to Clause 5.3, responsibilities and obligations of each Party under this Agreement shall cease and determine and no Party shall have any claim or recourse against the other Party in respect of any matter arising out of or in connection with this Agreement and/or the Placing except for (i) any antecedent breach of this Agreement and (ii) the payment by the Placing Agent to the Company of the aggregate amount received through Placing in accordance with Clause 6.3.
- 5.5 In the event that the Company or the Placing Agent shall without any reasonable ground fail to do anything required to be done by it under this Clause 5, without prejudice to any other right or remedy available to the other Party, such other Party may:
- (a) defer Completion to a day not more than 10 (ten) Business Days after the date fixed for Completion (and so that the provision of this paragraph (a) shall apply to Completion as so deferred); or

(b) proceed to Completion insofar as is practicable but without prejudice to such other Party's right to the extent that the Company or the Placing Agent shall not have complied with its obligations hereunder; or

(c) rescind this Agreement without liability on its part.

6. PAYMENT OF FEES, COMMISSIONS AND EXPENSES

6.1 In consideration of the services rendered by the Placing Agent in relation to the Placing, the Company shall pay to the Placing Agent a commission equivalent to 3% of the gross proceeds, from the successful placement of Unsubscribed Rights Shares on the Completion Date (the "**Placing Commission**"):

(a) in this connection, the Placing Agent is hereby authorised to deduct the Placing Commission and the Levies from the payment to be made by it to the Company at Completion;

(b) the Placing Agent is hereby authorised to deduct other out-of-pocket charges and expenses on actual incurrence basis.

6.2 Without limiting the generality of Clause 6.1, the Company shall also pay in relation to the Placing the costs, charges, fees and expenses of:

(a) any accountants or other professional advisers engaged in connection with the Placing or this Agreement;

(b) any approval, filing, registration with or other charges or fees imposed or charged by the Registrars of Companies in Hong Kong, Cayman Islands or other relevant governmental or regulatory authorities; and/or

(c) all other costs incurred in connection with the Placing not already paid by the Placing Agent on the Company's behalf; and

6.3 If this Agreement does not become unconditional or if for any other reason the Placing is not completed, the Company shall remain liable for reimbursement of professional fees as well as the payment of the out-of-pocket charges and expenses incurred by the Placing Agent specified in Clauses 6.1 and 6.2.

7. INDEMNIFICATION AND NO CLAIM

7.1 Without Prejudice to the other rights or remedies of the Placing Agent, the Company undertakes with the Placing Agent and any of its directors, officers, agents or employees and any other entity or person, if any, controlling the Placing Agent or any of its affiliates pursuant to Clause 3 (each an "**Indemnified Person**") to indemnify, and keep indemnified (on an after tax basis) each Indemnified Person from and against (i) any and all actions, claims (whether or not any such claim involves or results in any actions or proceedings), demands, suits, investigations and proceedings (together, the "**Actions**") from time to time pending or made or brought or threatened to be made (whether or not any Indemnified Person is a party) or brought against such Indemnified Person, and (ii) all losses, damages, liabilities, payments, costs or expenses (including legal fees and disbursements) and taxes (including, without limitation, stamp duty and any penalties and or interest arising in respect of any taxes, and all payments, costs or expenses made or incurred arising out of or in connection with the settlement of any Actions or in investigating, disputing or defending the same or the enforcement of any such settlement or any judgment obtained in respect of any Actions) (together, the "**Losses**") which may be

suffered, made or incurred by, such Indemnified Person in respect of, related to, in connection with, or arising out of:

- (a) any breach of the Warranties;
- (b) the performance or carrying out by the Placing Agent of its obligations or any other actions or activities that are conducted in accordance with the terms of, or under or referred to in, this Agreement and in relation to the Placing; and
- (c) any failure by the Company to comply with its obligations under the Listing Rules or any other applicable laws in respect of the Placing.

7.2 Any settlement or compromise of any Action or Loss by any Indemnified Person in respect of which indemnification under this Clause 7 is sought shall be made without prejudice to any claim, action or demand which any Indemnified Person may have or make against the Company under this Clause 7 or otherwise under this Agreement. The Company shall not make any admission of liability or settlement of any such Actions without the prior written consent of the Placing Agent, such consent not to be unreasonably withheld or delayed. The Company shall not, without the prior written consent of the Placing Agent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any Action in respect of which indemnification may be sought hereunder (whether or not any Indemnified Person is a party thereto) unless such settlement, compromise, consent or termination includes a release of each Indemnified Person from any liabilities arising out of such Action. The Placing Agent shall procure that no Indemnified Person seeking indemnification, reimbursement or contribution under Clause 7.1 shall, without the prior written consent of the Company, make any admission of liability or settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any Action.

7.3 The Placing Agent shall not be responsible for any loss or damage to the Company for any alleged insufficiency of the Placing Price.

7.4 No claim shall be made against any of the Placing Agent pursuant to Clause 3 or any other Indemnified Person by the Company to recover any damage, cost, charge or expense which the Company may suffer or incur by reason of or arising from the carrying out by the Placing Agent of the work to be done by any of them pursuant hereto or the performance of any of their obligations hereunder or otherwise in connection with the Placing save and to the extent that such damage, cost, charge or expense is finally judicially determined by a court of a competent jurisdiction to have resulted from any fraud, willful default or gross negligence on the part of any of the Placing Agent pursuant to Clause 3 or any other Indemnified Person (and then only against the relevant Placing Agent or other Indemnified Person (as the case may be)).

8. TAXES

8.1 All amounts payable to the Placing Agent under this Agreement (if any) shall be exclusive of taxes. As such, the Company shall pay such additional amount as may be necessary in order that, after deduction or withholding for or on account of any present or future tax, every payment to the Placing Agent will not be less than the amount to which the Placing Agent shall be entitled.

9. CONFIDENTIALITY

9.1 Each of the Parties hereto undertakes that it will not at any time (save as required

by law or any rule of any relevant stock exchange or regulatory body) make any announcement in connection with this Agreement unless the other Party shall have given their respective consents to such announcement (which consents may not be unreasonably withheld or delayed and may be given either generally or in a specific case or cases and may be subject to conditions).

- 9.2 No public announcement or communication of any kind shall be made in respect of the subject matter of this Agreement unless specifically agreed between the Parties or unless an announcement is required pursuant to the Listing Rules, or by any other regulatory body or authority.

10. PARTIAL INVALIDITY

- 10.1 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.

11. SUCCESSORS AND ASSIGNS

- 11.1 This Agreement shall be binding on and ensure for the benefit of each Party's respective successors and permitted assigns.
- 11.2 The benefit of this Agreement may be assigned in whole or in part by the Placing Agent to another party regardless of whether or not the Company agrees thereto though the Company shall not assign or transfer any of its rights or obligations under this Agreement.

12. CONTINUING EFFECT OF AGREEMENT

- 12.1 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.

13. GENERAL

- 13.1 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.
- 13.2 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 Parties. The expression variation shall include any variation, supplement, deletion or replacement however effected.
- 13.4 Unless expressly agreed by the Parties, 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.

- 13.5 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 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 the other.
- 13.6 The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.
- 13.7 This Agreement may be executed in any number of counterparts and by the Parties on separate counterparts, each of which is an original, but all of which together constitute one and the same instrument.

14. NOTICES

- 14.1 All notices delivered hereunder shall be in writing and shall be communicated to the following addresses:

If to the Company to

Address : Unit D, 7/F, Kee Shing Centre, 74-76
Kimberley Road, Tsim Sha Tsui, Kowloon,
Hong Kong

Email : kamchunying@yahoo.com.hk

Attention : Board of Directors

If to the Placing Agent to :

Address : Unit A-C, 11/F, Kee Shing Centre, 74-76
Kimberley Road, Tsim Sha Tsui, Kowloon,
Hong Kong

Email : cs@adventgroup.com.hk

Attention : Responsible Officers

- 14.2 Any such notice shall be served either by hand or by sending it through the post or by facsimile. Any notice shall be deemed to have been served, if served by hand, when delivered; if sent by post, forty-eight (48) hours after it is posted and if sent by facsimile, on receipt of confirmation of transmission. Any notice received on a day which is not a Business Day shall be deemed to be received on the next Business Day.
- 14.3 Nothing in this Clause shall preclude the service of communication or the proof of such service by any mode permitted by law.

15. GOVERNING LAW

- 15.1 This Agreement shall be governed by and construed in accordance with Hong Kong law.
- 15.2 The courts of Hong Kong shall have jurisdiction to resolve 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 shall be brought in the courts of Hong Kong.

16. DECLARATION OF INDEPENDENCE

- 16.1 Further to Clause 4.2(b) hereof, the Placing Agent being an indirect wholly-owned subsidiary of the Company is not a connected person of the Company or any member of the Group or their respective connected persons or associates (as defined in the Listing Rules).
- 16.2 The terms and conditions of this Agreement are arrived at after arm's length negotiations between the Parties with reference to the size of the Rights Issue and the prevailing market rate of commission and are on normal commercial terms.

SCHEDULE 1

WARRANTIES

The Company represents, warrants and undertakes to the Placing Agent that:

1. The Company:
 - (a) is validly incorporated and maintained;
 - (b) has fully and strictly complied with the laws of relevant jurisdictions including the laws of Cayman Islands and the laws of Hong Kong;
 - (c) has the requisite power, right and authority to own, use, lease and operate its assets and to conduct its business; and
 - (d) no order has been made, petition filed or resolution passed for its winding up, no compromise or scheme of arrangement has been proposed by it with its creditors or shareholders and no notice of appointment of a liquidator, receiver or administrator has been served on it;
2. Subject to the Stock Exchange's granting the listing of and permission to deal in the Unsubscribed Rights Shares, the Company has full power under its constitutional documents and applicable law to execute this Agreement, to complete the Placing and to issue the Unsubscribed Rights Shares; and further, the Company has, and has been, unconditionally granted all authorisations, approvals, consents and licences required for the Placing, which authorisations, approvals, consents and licences shall be, and shall remain to be, of full force and effect up to Completion;
3. The execution, delivery and performance by the Company of this Agreement will not contravene its constitutional documents, any provision of any applicable law (including, without limitation, the Listing Rules), any agreement or other instrument binding upon it, or any judgment, order or decree of any governmental body, agency or court having jurisdiction over it or any of its assets; and (except those described above in this paragraph) no consent from any government department, agency or regulatory authority is required for the performance by it of its obligations under this Agreement, except such as have already been obtained and are in full force and effect;
4. All announcements in relation to the Placing are or will be true and accurate and not misleading in any material aspects in the form and context in which they appear, all expressions of opinion, intention or expectation contained therein have been or

will be made on reasonable grounds and are truly and honestly held by the directors of the Company and are or will be fairly based, all forecasts and estimates therein (if any) are honest and fair and there are or will be no other facts known or which could on reasonable enquiry have been known to the directors of the Company the omission of which would make any such statement or expression in the announcements misleading;

5. All information supplied by or on behalf of the Company or any of its officers, directors, employees or advisers for the purpose of or in connection with the Placing is and was (when supplied or published) true, accurate and not misleading and was given in good faith and all forecasts and estimates so supplied or disclosed have been made after due and proper consideration;
6. The Company is not in possession of any non-public information relating to the Company or its businesses, operations or financial condition, the release of which could materially affect the market activity in and/or the trading price of the securities of the Company and there is not in existence any material or information relating to the Group which will be required to be disclosed by the Company under the Listing Rules or applicable laws and regulations. Without prejudice to the generality of the foregoing, there is no information (including, without limitation, any information regarding any material adverse change or prospective material adverse change in the condition of, or any actual, pending or threatened litigation, arbitration or similar proceeding involving any member of the Group) that is not described in the Company's most recent annual report or subsequent public information releases (the "**Company Information**") which information is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Group; the Company Information does not include any untrue statement of fact or omit to state any fact necessary in order to make the statements therein not misleading;
7. The Unsubscribed Rights Shares will be issued and allotted free from any liens, encumbrances and third party rights and together with all rights attaching thereto, will be fully paid and non-assessable, will rank *pari passu* with all the Shares in issue on the Completion Date, and the Company will not exercise any liens over any of the Unsubscribed Rights Shares; and no person has any pre-emptive or other rights with respect to the Unsubscribed Rights Shares;
8. The Group's financial results for the year ended 31 December 2023 (the "**Final Accounts**") give a true and fair view of the consolidated financial position of the Group as of the dates indicated and the consolidated results of operations and changes in shareholders' equity of the Group for the period indicated, and have been prepared in conformity with all applicable laws, Hong Kong Financial Reporting Standards and the accounting policies of the Company at the time of their preparation applied on a consistent basis;
9. There has not been any material change to the financial condition of the Company and of the Group since the issuance of the Final Accounts; and
10. The Company shall procure that particulars of every new factor known to it which is likely to affect the Placing or which is likely to adversely affect the Group taken as a whole and which arises between the date of this Agreement and the Completion Date (inclusive) shall be promptly provided and disclosed to the Placing Agent, subject to compliance with any applicable laws, rules and regulations.

IN WITNESS HEREOF this Agreement has been entered into the day and year first before written.

EXECUTION PAGE

THE COMPANY

SIGNED by



for and on behalf of
XINMING CHINA HOLDINGS LIMITED
the Company
in the presence of:



THE PLACING AGENT

SIGNED by

for and on behalf of
ADVENT SECURITIES (HONG KONG) LIMITED
the Placing Agent
in the presence of:

IN WITNESS HEREOF this Agreement has been entered into the day and year first before written.

EXECUTION PAGE

THE COMPANY

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